

The Minority Report

Issue 5, Winter 2013

The annual news of the AEA's Committee on the Status of Minority Groups in the Economics Profession, the National Economic Association, and the American Society of Hispanic Economists

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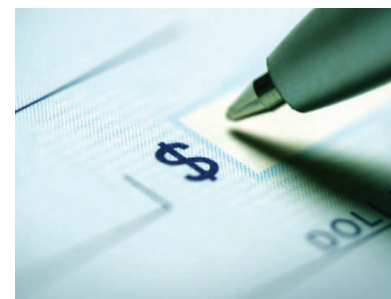
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Participation in the Formal Financial Sector among Minorities in the U.S.

Luisa R. Blanco, Pepperdine University and RAND and Clinton W. Saloga, RAND

Lack of participation in the formal financial sector, which can be termed as financial exclusion, has become an important policy issue in the United States and other developed countries. Financial exclusion is generally defined as “a process where people encounter difficulties accessing and/or using financial services and products that enable them to lead a normal social life” (Anderloni et al., 2008, p.9). While there are varying levels of financial exclusion associated with the access and use of financial services, the most basic form of exclusion is the lack of a checking account.

According to Scholz and Sheshadri (2011), 10 percent of households are unbanked in the United States, while around 20 percent of the United Kingdom and European Union population have no checking account. There is evidence that particular socioeconomic groups and ethnic minorities are more prone to be unbanked. Data from the American Life Panel (ALP, MS189) collected in 2011 and Health and Retirement Study (HRS) 2008 wave show that the lack of participation in the formal financial sector among Hispanics and Blacks in the United States is significant.



In this report we use the question “Do you have a checking or savings account, or a money market fund?” from the ALP-MS189 and HRS surveys to determine financial exclusion by race and ethnicity. The ALP-MS189 is representative for the adult population (18 and older), and the HRS is representative for the middle age adults and older population (51 and older) in the United States. When disaggregating by race and ethnicity, we find that Hispanic and Black minorities are more likely to be excluded from participating in the formal financial sector for all age groups.

Tables 1 and 2 illustrate the dramatic gap in participation in the formal financial sector between Hispanic and Black minorities and White non-

Participation, continued pg 4

The Minority Advancing Minority Representation in Economics Report

Welcome to the latest issue of *The Minority Report*, a joint publication of the American Economic Association's Committee on the Status of Minority Groups in the Economics Profession (CSMGEP), the American Society of Hispanic Economists (ASHE), and the National Economic Association (NEA). This *Report* showcases the people, programs, research, and other activities of the three groups, which work together to increase the representation and presence of minorities in the economics profession.

CSMGEP Members - 2012

Cecilia Rouse (Chair), Princeton University
Francisca Antman, University of Colorado at Boulder
Don Fullerton, University of Illinois
Gary Hoover, University of Alabama
Rucker Johnson, University of California, Berkeley
Trevon Logan, The Ohio State University
Mark Hugo López, Pew Hispanic Center
Fernando Lozano, Pomona College
Marie T. Mora, University of Texas-Pan American
Lisa Saunders, University of Massachusetts, Amherst

ASHE Officers - 2012

David J. Molina (President), University of North Texas
Marie T. Mora (First Vice President), University of Texas-Pan American
Sue K. Stockly (Second Vice President and Treasurer), Eastern New Mexico University

NEA Officers - 2012

Jessica Gordon Nembhard, (President), John Jay College, City University of New York
Warren Whatley, (President-Elect), University of Michigan
Juliet Elu, (Immediate Past President), Morehouse University
Romie Tribble, Jr., (Secretary), Spelman College
Linda Loubert, (Treasurer), Morgan State University

Committee on the Status of Minority Groups in the Economics Profession

CSMGEP was established by the American Economic Association (AEA) over 40 years ago to increase the representation of minorities in the economics profession, primarily by broadening opportunities for the training of underrepresented minorities. It has been operating under its current name since 1974, when it became a full, free-standing AEA Committee. CSMGEP, which is comprised of economists from all areas of the profession, also works to ensure that issues related to the representation of minorities are considered in the work of the AEA, makes an annual report to the AEA on the activities of the Committee as well as on the status of minorities in the economics profession, and engages in other efforts to promote the advancement of minorities in the economics profession.

www.aeaweb.org/committees/CSMGEP
csmgep@aeaweb.org

American Society of Hispanic Economists

ASHE, established in 2002, is one of the affiliated members of the Allied Social Science Association. It is a professional association of economists who are concerned with the under-representation of Hispanic Americans in the economics profession at a time when Hispanics represent 16 percent of the U.S. population.

Its primary goals include:

1. Promoting the vitality of Hispanics in the economics profession through education, service, and excellence;
2. Promoting rigorous research on economic and policy issues affecting U.S. Hispanic communities and that nation as a whole; and
3. Engaging more Hispanic Americans to effectively participate in the economics profession.

www.asheweb.net
hisp_econ@att.net

National Economic Association

The NEA was founded in 1969 as the Caucus of Black Economists to promote the professional lives of minorities within the profession. Through its journal (*The Review of Black Political Economy*) and its annual meeting/sessions, the organization produces and distributes knowledge of economic issues that are of exceptional interest to native and immigrant African Americans, Latinos, and other people of color.

www.neaecon.org

The Minority Report Newsletter

Senior Editor: Cecilia Rouse
Design/Editing: Dawn's Desktop

Questions about *The Minority Report* may be addressed to
Cecilia Rouse, rouse@Princeton.EDU

CSMGEP Pipeline Programs

CSMGEP currently sponsors training and mentorship programs for students at different stages of their education as well as “newly minted” PhDs.

The Summer Training Program

In 1974, the American Economic Association established the AEA Summer Training Program to prepare talented undergraduates for doctoral programs in economics and related disciplines, by offering a unique opportunity for students to gain technical skills in economics and conduct independent research. In 2013, the six-week program will be held from June 16 through July 27 at the University of New Mexico in Albuquerque. The Program will provide courses in economic theory, mathematics, and econometrics as well as research seminars intended to acquaint students with key economic concepts and issues. This Program is open to all qualified students, regardless of race, ethnicity, or gender. The Minority Fellowships are open to qualified U.S. citizens and permanent residents, with preference for those who are members of historically disadvantaged racial or ethnic minority groups and advance the diversity of the Economics profession. Application and nomination information for this program can be found at www.healthpolicy.unm.edu/events/aeasummer12, or through email at center@unm.edu. For more information, please contact the Program Director, Robert Valdez at rovaldez@aol.com.

Mentoring Program

In the mid-1990s, CSMGEP created a Mentoring Program for students accepted or enrolled in a Ph.D. program in economics; since then the program has expanded to include new doctorates as well. Students are matched with mentors who see them through the critical junctures of their graduate program (including the transition from course work to research) or the early stages of their post-graduate career. The Mentoring Program also hosts an annual Pipeline Conference to which all participants and their mentors are invited. The conference, which is held each year at the site of the AEA Summer Training Program, facilitates contacts among minority students in different schools and at different stages in the pipeline. For more information about joining and supporting the Mentorship Program, contact the Program Director Patrick Mason at pmason@fsu.edu.

Summer Economics Fellows Program

Sponsored by the American Economic Association and the National Science Foundation, the Summer Economics Fellows Program is designed to increase the participation and advancement of women and underrepresented minorities in economics. Fellows spend a summer in residence at a sponsoring research institution, such as a Federal Reserve Bank or other public agency. Summer economics fellowships are available to senior graduate students and junior faculty. For more information, contact the Committee on the Status of Women in the Economics Profession at cswep@econ.duke.edu.

Participation, continued

Hispanics as found in the ALP-MS189 and HRS data, respectively. Table 1 indicates that for all adults over 18 years of age, 31.7 and 39.2 percent of Hispanics and Blacks, respectively, lack a checking or savings account or money market fund, versus only 8.2 percent of White non-Hispanics. Tables 1 and 2 both show that this disparity continues into older age groups. In specific, Table 2 shows that when considering individuals 51 and older, while only 6.8 percent of the White non-Hispanic population has no access to basic financial services, 41.8 and 28.6 percent of Hispanics and Blacks are financially excluded, respectively.

Demand and supply side factors can help explain financial exclusion. On the demand side, there is evidence that financial exclusion is closely related to socioeconomic status. Low education and income levels, and poverty incidence increase the probability of being unbanked (Anderloni et al., 2008). Our descriptive analysis supports previous research that finds that ethnic and racial minorities are more likely to lack access to financial services, like Anderloni et al. (2008). Additionally, immigrants are more likely to lack access to financial services because of language and cultural barriers, as well as a lack of experience

with the U.S. financial system (Barcellos et al., 2012). The legal status of immigrants and their long-term plans for residency are important determinants of participation in the financial sector for this group (Datta, 2011). Using the ALP-MS189 data, Barcellos et al. (2012) also find that trust in United States financial institutions is strongly related to immigrant financial participation, with Hispanic immigrants having particularly low trust that is likely inherited from poor institutions in their homeland.

In relation to the supply side, financial institutions might not offer adequate financial services for certain groups, where services are likely to be limited for individuals of low income, the elderly, and immigrants. When looking at the determinants of financial exclusion, Bertrand et al. (2004) suggest that it is important to consider not only those major factors related to rational models, such as cost of a bank account and financial education, but also small situational barriers such as bus rides to a bank, challenging hours, and interaction with bank personnel. These barriers can be substantial for the elderly, as they tend to have lower mobility.

Several costs are associated with being unable to participate in the formal financial sector, including

monetary, psychological, and health-related. Individuals who have no access to a checking account incur significant costs in everyday transactions, such as fees charged for check-cashing services (Carbo et al., 2005). There is a tendency to spend cash faster than money in the bank (Thaler, 1999), and those without access to finance are likely to borrow at a high interest rate (Datta, 2011). These factors have large impacts on savings behavior, which can negatively affect individuals' ability to deal with unexpected expenses and their overall wellbeing in the long run.

Lusardi and Mitchell (2007) find that Blacks and Hispanics

Table 1. *The proportion of the population with no checking or savings accounts or money market funds by race and ethnicity (Data source: ALP MS189, 2011)*

	Age groups			
	All Ages	51 & older	51 to 64	65 & older
White, non-Hispanic	8.2%	4.2%	4.7%	3.6%
Hispanic	31.7%	21.2%	22.0%	18.6%
Black, non-Hispanic	39.2%	11.6%	14.1%	4.6%
Other, non-Hispanic	14.5%	18.5%	14.6%	22.8%
Observations	2,944	1,515	1,031	484

Table 2. *The proportion of the population with no checking or savings accounts or money market funds by race and ethnicity (Data source: HRS, 2008)*

	Age groups		
	All Ages (51 & older)	51 to 64	65 & older
White, non-Hispanic	6.8%	6.0%	7.5%
Hispanic	41.8%	41.4%	42.2%
Black, non-Hispanic	28.6%	26.5%	31.2%
Other, non-Hispanic	12.3%	13.4%	11.0%
Observations	16,530	5,186	11,344

show lower levels of savings for retirement, which can be explained by lower financial literacy. Taylor et al., (2009) later find that problems associated with financial capability have a negative effect on life satisfaction and psychological wellbeing. Additionally, the elderly population is more prone to being dependent on others, and those without a personal checking account in which to keep their money face a higher risk of financial abuse.

The population that lacks access to financial services, and consequently has lower savings, will face liquidity constraints when dealing with payments associated with health expenses. For example, when buying prescriptions or paying for doctor visits, the inability to tap into savings or credit might prevent these individuals from receiving proper medication or treatment. The health outcomes associated with financial exclusion are of special interest with respect to the elderly population, as they are at higher risk for nearly all health conditions and have higher health expenditures.

The negative effects associated with the financial exclusion of elderly minorities make it an important current policy issue. In a forthcoming study, we will investigate the factors explaining lack of participation in the formal financial sector among the minority elderly in the United States and its effects on the wellbeing of this population, with a focus on health outcomes.¹



¹ This note is based on an ongoing project that received support from the University of California, Los Angeles, Resource Centers for Minority Aging Research Center for Health Improvement of Minority Elderly (RCMAR/CHIME) under NIH/NIA Grant P30-AG021684, and from the UCLA Clinical and Translational Science Institute (CTSI) under NIH/NCRR/NCATS Grant UL1TR000124. The content of this project does not necessarily represent the official views of the NIH.

...lack of participation in the formal financial sector among Hispanics and Blacks in the United States is significant.

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A Short History of the Beginnings of the National Economic Association

Excerpts taken from www.what-when-how.com/social-sciences/national-economic-association-social-science/ (November 9, 2012)

In Memory of Marcus Alexis (1932 – 2009), for his contributions to the NEA and his many contributions to mentoring students of color in the economics profession.

The National Economic Association was founded in 1969 as the Caucus of Black Economists (CBE). At that time, fewer than sixty African Americans in the United States were identified as holding a PhD in economics. Most were employed as faculty or administrators in historically black colleges and universities (HBCU). A small number held faculty positions at major research universities throughout the country. Others held professional positions in the federal government in agencies including the Department of Labor, Agriculture, Treasury, and Housing and Urban Development, and in the Federal Reserve System. The great majority of black economists were men, but the first African American known to earn a PhD in economics was a woman, Sadie T. M. Alexander who received her degree from the University of Pennsylvania in 1921. The most prominent African American woman in economics in 1969 was Phyllis A. Wallace, who had earned her PhD from Yale University in 1948 and was then director of technical studies at the U.S. Equal Employment Opportunity Commission.

GENESIS OF THE NEA

Economists are organized around fields of topical interest, such as the American Economic Association (AEA), American Finance Association (AFA), Econometric Society (ES), Labor and Employment Relations Association (LERA), and others. In 1969 there were seven such organizations; by the end of the twentieth century there were fifty-one. Most economists hold membership in two or more such groups. Each year, economists from the various fields gather together at the Allied Social Sciences Association (ASSA) meetings to present and discuss new research, debate economic policy issues, and address other matters of interest to the profession. Many

African American economists hold memberships in the organizations, and attend the annual meetings. But in 1969, few African Americans were invited to present papers or act as discussants on research panels and in policy forums.

The 1960s was a period of increased black assertiveness, as reflected in the emergence of the civil rights movement, the black power movement, and organizations like the Black Panther Party and the Nation of Islam. Black members in mainstream professional organizations began to organize affinity groups to address issues of particular interest to black people in those fields. In that climate, a group of black economists gathered together during the 1969 ASSA meetings in New York City to organize the Caucus of Black Economists.

Leading the organizational effort was a group of black economists who were affiliated with major academic institutions. The key organizers were Charles Z. Wilson, professor of economics and vice chancellor of UCLA, and Professor Marcus A. Alexis, University of Rochester. Joining them were Professor Thaddeus Spratlen, University of Washington; Professor Karl Gregory, Oakland University, Michigan; Richard F. America, lecturer, the Business School, University of California, Berkeley; Robert S. Browne, president of the Black Economic Research Center in Harlem, New York; and Assistant Professor Bernard E. Anderson, the Wharton School, University of Pennsylvania.

...90 percent of university economics departments in the United States do not have and have never appointed an African American to their faculty.

The purpose of the Caucus, as expressed in its mission statement, was to "increase the supply of black economists, and to promote research and publication on economic issues of importance to the black community." The consensus view among the organizers was that the economics profession suffered from both the paucity of black people in the profession and the lack of research and analysis by black economists on economic issues affecting the black community. The new organization was committed to encouraging black college students to study economics and choose economics as a career, and to supporting

research and publication by black economists and gaining recognition for their work.

Members of the dues-paying organization selected a twelve-person executive board to serve three-year staggered terms. Officers are the president, president-elect, immediate past president, secretary, and treasurer. Membership is open to all who support the mission of the organization. While most members are African American, Caribbean, or African, all racial and ethnic groups are welcome to join, and some white economists have done so.

One of the goals of the CBE was to gain recognition by ASSA as an affinity group authorized to sponsor panels at the annual ASSA meetings. Groups like AEA, AFA, and LERA are allocated a number of time slots for panel sessions they organize on topics of interest to their members. Additional time slots and other accommodations are granted for organizational events such as luncheons, business meetings, and receptions.

In 1971, ASSA recognized the Caucus, and granted time and space for two sessions. That allocation was later expanded to six, including a joint session with AEA. Under the rules of the ASSA, however, only the papers presented in joint AEA sessions were published. The Caucus acquired a publication vehicle of its own when Robert S. Browne, founder of the *Review of Black Political Economy*, transferred its ownership to the new organization. Papers presented at the annual meetings and other research on race and economics are regularly published in the *Review*, a refereed journal published continuously since 1970.

By 1974, the spirit of protest expressed by black professionals in the 1960s receded as mainstream organizations became more sensitive to the importance of racial concerns within the social and behavioral sciences. In response, the CBE leadership agreed to change the name of the organization to the National Economic Association.

The major professional associations had dropped their racially exclusionary membership requirements by the mid-1970s and admitted black members. The American Economic Association had never barred black economists from membership, but few other than those with appointments to the economics departments of research universities joined. When racial exclusion ended, black professionals saw much value in maintaining dual membership in both the mainstream and race-oriented groups in order to assure that the special interests of

the African American community continued to receive appropriate attention.

EDUCATIONAL PROGRAMS

In 1970 the NEA sponsored a summer workshop on economics at Washington University in St. Louis in an effort to promote African American students' interest in economics. A small group of black undergraduates and first-year graduate students met with faculty members for a week to discuss economic affairs and recent economic research, as well as the challenges and opportunities for graduate study in the field. The NEA's goal of increasing the supply of black economists was advanced significantly when the American Economic Association organized the Committee on the Status of Minorities in the Economics Professions. The committee was charged with promoting minority students' interest in economics as a profession and enhancing opportunities for graduate study. That goal was pursued in part through support for the AEA's Summer Program in Economics for Minority Students.

The AEA Summer Program was designed and organized by Professor Marcus Alexis, one of the founders of the NEA. The program was hosted by Northwestern University, where Professor Alexis held an appointment in the Economics Department. Supported by a three-year grant from the Rockefeller Foundation, the five-week program included courses in price theory, macro theory, quantitative methods, and public policy. Guest lectures by prominent black and other economists explained what



Dr. Marcus Alexis

economists do, how they do it, and the impact economists have on public policy and economic affairs. Participants in the Summer Program who chose to continue on toward graduate studies in economics were eligible to apply for a doctoral fellowship/internship program developed by the Federal Reserve Board.

The Summer Program has continued in regular session since 1974, and in addition to Northwestern has been hosted by Temple University, Philadelphia; the University of Texas, Austin; Stanford University, Palo Alto, California, Duke University, and University of California at Santa Barbara. In response to national developments in affirmative action policy, participation in the program has been broadened

What an Editor Wants to See in Your Research Paper

Don Fullerton, University of Illinois

Each paper is different, and each journal editor has unique preferences, so you can never know beforehand what exactly will make the difference between publishing and not publishing your research paper in an economics journal. Sorry, I cannot offer any magic solution. Usually, it just takes lots of hard work (*before* you submit)! However, I was the managing editor of an economics journal for enough years that I might be able here to offer some inside scoop on what some editors might be thinking.

You've probably read enough economics papers already to see a pattern, a basic outline and common formula. It certainly cannot be a stream of consciousness, but must have logical section headings such as: introduction, literature review, theoretical model, econometric model, description of the data, discussion of identification, basic results, robustness checks, and conclusion. In addition, you can undoubtedly guess already that the paper needs to be written in good English sentences, in good logical order of development. You could even view yourself as a trial lawyer, building a case that needs to be convincing to the reader. But what else?

Whenever I start reading a new research paper submission, I want to know very early what is the point, or why am I reading it. You should provide only one

paragraph of general background on the issue, and maybe only *one* additional paragraph summary of key published attempts to address that issue, but please have a sentence that begins "The purpose of this paper is ...," while still on page one! Then page two can return to background information, more literature review, a summary of your own research design, how it differs from existing literature, and summary of your results—before the end of page three. Yes, that's a tough set of requirements for a three-page introduction! You won't get it the first time. Therefore, write the introduction

published economics papers, how to replicate them, and how to interpret them. So when you read the next published paper in your general topic area, you might say to yourself, "oh well, that's been done." Then you can read another paper in your general topic area and say, "oh well, that's been done, too!" The trick is how to read existing literature to identify a question *not* yet addressed or an approach not yet taken.

Sometimes a published paper will list and discuss some "possible future extensions" that can serve as suggestions for your own paper (if not yet undertaken). But

The trick is how to read existing literature to identify a question not yet addressed...

first, just in order to think hard about what you are going to say, then do the research, and write the rest of the paper. Then return to rewrite the introduction completely—after you know what the paper is really about.

How to Identify Your Topic

You will be tempted, no doubt, to look for a research topic by reading some published papers in your area of interest. You already know how to read

many authors try to make their paper sound like the be-all and end-all, the final word on some topic. Let me assure you that it's not! Read the paper carefully to look for what is not said. What *other* question is not addressed? What simplifying assumption is really driving the results? How can that assumption be relaxed and still solve the model? What other model not mentioned here could be used as an alternative to provide a different answer to that question? What other data set? Is that variable really exogenous?

Why not? What could serve as an instrument? What is the author *not* saying?

In my own research, I have several times started a little project that I thought was just a short “comment” on an existing paper, but which turned into a full-fledged paper on its own. To a certain extent, even if you don’t know what to do, you just need to get started. Take a trial run at it, see if it works, think about what else you could do, and elaborate the model on your own. Chances are that *something* you do will be different from what others have done, so your new paper will differ from existing literature in some respect—we just have yet to determine exactly how it differs and how important that difference might be.

How to Narrow Your Topic

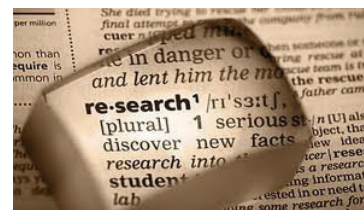
An undergraduate once came to my office to talk about his independent study, and I asked him what topic he would like to research. He said, “Well, maybe agricultural price supports?” to which I said, “Fine, but can you narrow the topic?” After some thought, he suggested “Oh, I’m from Wyoming, so I could write about agricultural price supports in Wyoming!” The reason I like that story is that it’s a perfect example of how not to “narrow your topic.” You could choose a particular county in Wyoming, or even a particular farm, but that still would not identify the topic!

You need to narrow your topic by choice of the question you

want to address. What *about* agricultural price supports? Do you want to know how they affect international trade patterns? How they affect farmers’ incomes? How they affect rural to urban migration? How they affect economic efficiency in agricultural markets? You can’t address all of those questions adequately, so choose only one. And please do not just provide information for its own sake; it should be in response to some real concern. Tell why you think it is an interesting question. For whom is it important? Why do they care? What are the possible ramifications of different answers? This process will not only help identify a good topic, but also help motivate it.

Even if you identify the question, chances are that some other economics papers have already addressed it. That’s fine; you just need to do something different. However, I hate the phrase “gap in the literature” used by many authors trying to motivate their paper. For example, “This question has been addressed using models with competitive behavior, and models with Cournot behavior, but nobody has ever addressed this question using a model of Stackelberg behavior, and so this paper fills a gap in the literature by building a Stackelberg model to answer this question.” So what? Not every “gap” needs to be filled! What is the purpose of doing it that way? When might the Stackelberg model be more appropriate? How might you expect the answer to

differ by using that model instead of the usual models?



The Research Process

The next step in doing your research is to choose the approach you will take to answer that question. Decide what kind of model, what simplifying assumptions, and why those assumptions are appropriate. Why is that the best approach? What data are needed? Where are those data available? Then you carry out that plan: build the model, collect the data, and answer the question. When the original plan doesn’t work, you will need a new plan, so you must explain why the ideal approach did not work and why your alternative is appropriate. Then, of course, you need to use the new model to generate results and think about their implications.

You probably know all that, but the reason I repeat those steps here is to point out that your research paper simply reports on the research process! In other words, the same basic steps apply to the thought processes, the actions in your research, *and* to the logic of the presentation in the paper. It’s really just documentation, or a travel log, where you report on what you did along the way, and why. Explain everything as thoroughly

Editor, continued pg 16



Cecilia Elena Rouse
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of Public and International
Affairs, Katzman-Ernst Professor
in the Economics of Education,
Princeton

*I equally love
teaching and
doing research as
I do constructing
and analyzing
policy outside of
“the academy.”*

Embracing Challenges

When she arrived at Harvard University as an undergraduate, Cecilia Rouse didn't know she wanted to study economics, but a freshman economics course enticed her. It was the early 1980s, a time of high unemployment, and Rouse was compelled by the economic models of unemployment. In economics she found a set of principles for thinking about important economic and social issues. “I could have done this in other disciplines... but I just liked the tools that economics employs.”

A mathematical thinker, Rouse was concerned about social issues. “I have the good fortune of having a father who was one of the first African American PhDs in physics, and a mother who was a school psychologist. My father really believed in math and was a brilliant scientist and my mom had the social skills; she can observe a group and fully understand both the group dynamics and the individuals involved.” Economics became the gateway for Rouse to think about society's problems from a more mathematical angle.

After completing her PhD at Harvard, she became an assistant professor at Princeton, where she has remained for 20 years, other than one year at the Russell Sage Foundation and three years in government in Washington, DC. As a labor economist with a subspecialty in the economics of education, Rouse studies the impact of education and training on labor market outcomes.

She has twice had the opportunity to translate her expertise in economics into policy, serving President Clinton at the National Economic Council (NEC) in 1998 and President Obama in 2009-2011 as a member of the Council of Economic Advisers (CEA). At the NEC she helped to coordinate economic policy for the Administration. It was a very different experience for her as she had to learn to find policy solutions that addressed issues in departments with divergent concerns, such as those of the Departments of Labor and Commerce. Also during her time at the NEC, Rouse experienced one of her most fulfilling moments when, after having worked on an immigration bill, she had the opportunity to personally negotiate the final bill on Capitol Hill.

At the CEA she advised the President on policies regarding unemployment during the deepest recession since the Great Depression. She studied the nature of unemployment and helped to design policies to increase economic activity and help unemployed workers. She also put her research to direct use when working on President Obama's education policies such as those in the Student Aid and Fiscal Responsibility Act (SAFRA), which streamlined student loan processes and invested the savings back into education financial aid programs. SAFRA also made investments in Historically Black Colleges, other minority-serving institutions, and community colleges. Rouse sums up, “It was one of the

largest investments the federal government has made in these institutions which are so important to so many individuals.”

Rouse has also always been concerned about the lack of diversity in academia. There has no doubt been progress as back in the 1950s when her father completed his PhD there were few academic opportunities; in contrast all three of his children have or had academic jobs (both Rouse and her sister are professors at Princeton and her brother was on the faculty at UC Davis). However, there is a long way to go. And so Rouse works to increase the representation of minority groups in the economics profession, most notably through her activities on the AEA's Committee on the Status of Minorities in the Economics Profession (CSMGEP), which she chaired from 2006 to 2009 and is currently chairing.

To Rouse, one of the benefits of becoming an economist is the versatility it provides in terms of issues to be studied as well as careers. “I equally love teaching and doing research as I do constructing and analyzing policy outside of ‘the academy.’” She wants young people to know that economists are not only concerned with business and the stock market but also people, education, health, crime, poverty, and other such issues. Moreover, they can pursue careers in academics, the private sector, or the public sector, and can focus on research, analysis, or policy.

What advice does Rouse offer to those just embarking on economic studies? First, take plenty of math, “more math than you think you need.” Second, step back, take a deep breath, and not let panic take over. And third, as she learned and now instructs others, remember that “almost every problem can be solved if one starts from first principles.”

In her career and life, she keeps this precept in mind. Whether in the academic setting of Princeton or the policy-making offices of Washington, DC, it is essential to take on the big challenges. She believes that, while many times the solution to a problem may not be immediately apparent, over time a solution will arise. Rouse believes this is a lesson for life. “Embrace the challenges, don't be afraid of them, and go forth because you really can do it.”

**A salon and parlor game of the 19th century, made most famous by Marcel Proust's answers, the Proust Questionnaire (adapted here) gets to the heart of things.*

Proust Questionnaire*

What's your idea of a perfect day?

I sleep in and read a bit before getting up and having a leisurely breakfast over the newspaper. It's a beautiful day (of course) and so I then either work out or take a nice long walk or bike ride with family and friends. I end the day with a delicious meal with good conversation.

What's on your nightstand?

A radio, lamp, eye drops (it's allergy season), and my new Nook (I just finished “Kitchen Confidential” by Anthony Bourdain).

What's your favorite indulgence?

I love to go to the movies.

What trait do you most deplore in others?

Unfairness and dishonesty.

Whom do you most admire?

I most admire my Mom and Dad as they are both pioneers. My Dad was one of the first African Americans to receive a PhD in physics and my Mom instilled in me and my siblings a great sense of integrity and independence.

What will you never forget?

I never forget that all that I have in my life is due to those who blazed the trail before me.

If you weren't in economics, what would you want to do?

I'd probably be in law also trying to address issues in public policy.



Samuel L. Myers, Jr.
Roy Wilkins Professor of Human Relations and Social Justice in the Hubert H. Humphrey School of Public Affairs at the University of Minnesota
(seated: Samuel L. Myers, Sr.)

Part of the case for diversity in the profession is to increase the quality of the economic science that should arise...

The Efficiency Rationale for Diversity in Economics

Dr. Samuel L. Myers, Jr. has studied economics since he was a child. His home was one of the best research facilities and libraries to be found by a grade-schooler because Myers grew up surrounded by the books, research, and philosophies of his father, a well-known African American economist, Samuel Myers, Sr.

Myers, Sr. studied under John D. Black, John Kenneth Galbraith and Joseph A. Schumpeter at Harvard where he earned a PhD in 1949. He was an economist at the U.S. Department of Labor, economics professor at Morgan State University, and financial adviser to Latin American countries during the Kennedy Administration. He was president of Bowie State University during turbulent years; in 1968 he successfully dispersed a student boycott. His work with President Jimmy Carter on Executive Order 12232 in support of historically black colleges and universities was a high point in his career. In 1994, Myers, Sr. received the NEA's Samuel Z. Westerfield Award. Clearly, he has made significant contributions to the economics profession.

Perhaps the greatest of these contributions is his son, Samuel L. Myers, Jr., who has distinguished himself in ways of which Myers, Sr. must be most proud. From studying at his father's knee, Myers went on to graduate with pride from Morgan State University, a historically black college where his father taught and where his sisters also graduated. He then earned a PhD in economics from MIT in 1976.

The climate of the 1960s and 1970s prompted Myers to study the role that economics can play in solving problems facing the African American community. He helped change how African Americans view economic science. Myers says, "Increasingly, economic analysis is seen within the community of color as an important vehicle for advancement and progress." This shift in perceptions has been gratifying for Myers and other economists who were "originally motivated by the need to help resolve some of the crises facing our communities."

Now a national authority on disparity studies, Myers has been a visiting scholar, lecturer, and economics professor at several prestigious institutions. F. Ray Marshall, the Secretary of Labor during the Carter Administration, lured Myers to the University of Texas at Austin for his first tenure track position. He served as a Senior Economist at the Federal Trade Commission, as a consultant to the U.S. House of Representatives, and as president of both NEA and APPAM. He was a Fulbright Scholar at the University of South Australia, and a Fulbright Fellow with the Chinese Academy of Social Sciences.

Myers specializes in the impacts of social policies on various groups, and he pioneered the use of applied econometric techniques to examine particular racial disparities. In 2008-2009 Myers went to China to apply his techniques and extend his exploration of the economics of diversity. He analyzed the effects of China's diversity initiatives on 55 ethnic groups in the areas of income inequality, educational reform, and disability

policies. Myers now compares his findings from China with U.S. diversity initiatives.

Since childhood, Myers has spent his life in pursuit of the answers that economic science can provide to important social and political questions. He believes diversity in the field of economics can help provide some of those answers. He states, "Part of the case for diversity in the profession is to increase the quality of the economic science that should arise from including more diverse experiences among those doing the science." Regarding issues that minority groups often face, Myers says, "Analysis of these problems and the search for successful solutions can benefit from insights brought by talented scholars whose life experiences intersect with these problems."

In fact, Myers' own life experiences intersect with problems that are not well analyzed. While reviewing proposals on disability and other forms of diversity, Myers, who is deaf, was surprised to find few papers on the economics of disability and almost none about the relationship between race/ethnicity and disability. Myers says, "Until I mentioned these issues in meetings, no one else seemed to notice." He adds, "I doubt whether my disability alone explains this contribution that I have made; but it might have taken much longer for me to reach this conclusion had I not experienced disability myself."

Myers believes that "people who can become economists ... can also become many other things. The skills and the tools that economists need require the mind-set and talents that can also prepare a person well for law or business." For instance, during a recent interview by the African American Registry, an on-line storehouse of African American heritage, Myers was asked what advice he gives to passionate young people who want to become policy makers. Myers said he "cautions" them about becoming elected officials because campaigning leaves little time to delve deep and find alternatives to solve issues. Myers claims, "We need a slightly different involvement in the public arena... not just the implementation of public policies, not just the political support for the public policies, but the *analysis* of public policies." He urges youth to "prepare themselves with some critical analytical thinking skills—tools that place them in the position to question and to dig deeper than just the surface discussions about policies. ... And that means taking statistics, calculus, and economics."

For Myers and Myers, Sr., encouraging young people from diverse backgrounds to study economics helps ensure the field will represent and address issues faced by minorities. In 1972, Myers attended a meeting to discuss the results of a summer program for minority students in economics. He says, "I distinctly remember the question being raised as to whether it even made sense to have a minority summer program. The question was 'what is the economic efficiency rationale for this program?' I have been thinking about that question ever since."

Perhaps one could say Myers and his father have been *answering* that question all along.



Proust Questionnaire*

What's your idea of a perfect day?

Teaching a class of graduate students in public policy about market failure and engaging them in an exercise designed to develop tools of problem structuring and applied policy analysis. And, then, at the end of the day having at least one student come to my office to say, "You know, Professor. I got it!"

What's on your nightstand?

The remote control.

What's your favorite indulgence?

Caviar and champagne at Petrossian on West 58th Street.

What trait do you most deplore in others?

I try to be very accepting of others' as they are.

Whom do you most admire?

My father. Because of his intellect and his life-time commitment to reducing poverty and inequality.

What will you never forget?

A horrible multiple-truck accident in Panama in the mountains between Colon and Panama City in 1963. Everyone died or was injured except my father and me.

If you weren't in economics, what would you want to do?

Economics, of course.



Stephen J. Trejo
Associate Professor of
Economics, Associate Director
of the Population Research
Center, University of Texas at
Austin

*...economics is
not solely, or even
primarily, about
financial markets
or transactions
involving money.*

Economics is a Social Science

Let's say the time has come to choose the university you want to attend after High School. How do you decide? For Steve Trejo, native Californian, the choice was based on a friend's recommendation—a college in Southern California, on the beach, and *pretty*—UC Santa Barbara! When it came time to choose a program of study, Trejo looked to another friend, a stockbroker who, because the markets are on the east coast, could end his work day at 1:00, go to the beach, get a tan, and play tennis. Believing economics was all about markets, and being one to enjoy the beach and tennis, Trejo decided economics was the right field for him.

“Luckily I found out that economics is about human behavior, not money,” says a wiser Trejo today.

Dr. Stephen J. Trejo, Associate Professor of Economics at The University of Texas at Austin, did pursue economics and earned his B.A. from UC Santa Barbara in 1981, and his M.A. and Ph.D. in economics at the University of Chicago. During his undergraduate years, Trejo studied under George Borjas who, along with Barry Chiswick and David Card, resurrected the study of immigration within labor economics. With Borjas as his mentor, Trejo began to take an interest in immigration.

While his dissertation was on overtime pay regulations, and he was generally drawn toward labor economics, Trejo decided to delve deeper into Hispanic issues when he was asked to review the book, *Inequality at Work: Hispanics in the U.S. Labor Force*, by Gregory DeFreitas. Trejo says it grabbed his attention, and he could see a niche for researching labor market outcomes for Hispanics, as so little was being done at the time.

He was curious about other ways research could be done. He would often read others' work and think, “I would do this differently.” For example, in 1993 when he reviewed DeFreitas' book, most research on Hispanics still used models that were created to study African American economic issues. Trejo knew the study of Hispanics required a different approach. Questions needed to be asked about where respondents' parents and grandparents were born, how well they spoke English or other languages, where their education was obtained, how recently they came to the United States, and so on.

Trejo muses, “It's interesting to see now how many economics dissertations are being written on immigration and Hispanics.”

After receiving his Ph.D., Trejo's first job was teaching economics at UC Santa Barbara alongside Borjas. Eleven years later he joined the economics department at the University of Texas at Austin. Trejo is also the Associate Director of the Population Research Center at the University of Texas. He is a Research Fellow at the IZA Institute for


the Study of Labor and at the Centre for Research and Analysis of Migration, University College London. Trejo was an Associate Director of the AEA Summer Training Program at UC Santa Barbara, and he is a mentor in the Diversity Initiative for Tenure in Economics (DITE) at Duke University. He has published numerous papers and presented his methods and findings at conferences across the globe.

Trejo's current research agenda focuses on three interrelated questions: 1) How do immigrants perform in the U.S. labor market, especially those immigrants who arrive with very low levels of schooling, English proficiency, and other skills that have become increasingly important determinants of success? 2) How much socioeconomic mobility is experienced by the U.S.-born descendants of immigrants, including the third and later generations, and what factors shape this mobility? 3) How does intermarriage complicate immigrant generations and weaken ethnic identification, and to what extent does the ensuing "ethnic attrition" distort assessments of the socioeconomic attainment and integration of later-generation descendants of U.S. immigrants?

He is an advocate for applying economics to non-market subjects—people, communities, and social identification. Indeed, when asked what economics means to him, Trejo states, "For me, it's easiest to start by describing what economics is NOT. Despite popular opinion to the contrary, economics is not solely, or even primarily, about financial markets or transactions involving money." He considers economics to be a social science which "seeks to understand and predict how people behave in all facets of their lives."

According to Trejo, economics differs from the other social sciences because it provides a "technical rigor" in the research which makes theories clear, precise, and internally consistent. In fact, Trejo believes economics is the ideal social science for this kind of study. He challenges, "When seeking expertise on social policy, which types of social scientists do governments, think tanks, businesses, and other organizations hire or consult with most? Economists, by far."

Trejo has come a long way from basing decisions on proximity to the beach and a shorter work day. His path led him to the right university, the right mentor, and the right career as a labor economist and mentor to others. He fills a vital role in a field that changes and becomes more complex with each new generation—a field that needs economists who look beyond markets, think outside the fiscal box, and explore the human interaction that lies beneath it all.



Proust Questionnaire*

What's your idea of a perfect day?

Tennis in the morning, spending the day at the beach, Italian food for dinner, and live music afterward.

What's on your nightstand?

Back issues of *Sports Illustrated* that I haven't had time to read.

What's your favorite indulgence?

Ice cream and beer, but not together.

What could the world do without?

Texting while driving.

What will you never forget?

The night I met my wife.

Which is your favorite city?

Chicago (where I met my wife).

What was the last book you read?

The Last Picture Show by Larry McMurtry.

What's your favorite sport?

Tennis.

For a vacation, beach or mountains?

Beach.

What do you most value in your friends?

Honesty.

Editor, continued

and clearly as you can, in plain language, with no repetition, and no wasted words. Use footnotes or an appendix for extra detail. Don't try to be dramatic; unjustified claims reduce your credibility. Don't use flowery language to

the literature, write the review. As you collect the data, write the description. As you think about each step, write it down, so that you can see if the argument holds together. Then after you get results that seem questionable,

to be careful. (That may seem obvious, but so many authors are *not* careful about these “minor details.”) After your last revision, go over your whole paper with a fine tooth comb.

It is the act of writing itself that forces you to think hard about what you are doing...

try to spice it up; you need the question and results themselves to be interesting. The paper may seem long and dry, but that's what you need to cover all necessary possibilities and substantiate your results. This is “formula” writing, but it *works*! You will find this formula in the best published papers, so follow their lead.

Push on All Fronts Simultaneously

Writing a research paper is not a linear process, where you proceed through formulation of the question, research design, data, estimation, and results. If you take all those steps and then write the actual paper, you will find that some of the steps are hard to justify and should have been done differently. It is the act of writing itself that forces you to think hard about what you are doing, so don't leave writing until the end! As you formulate the research question and motivation, write the introduction. As you read

you will need to find new data and procedures, which will require new descriptions. Then, when you finally finish all the research, you will realize that your original question and motivation have morphed, and that you need a whole new introduction!

Preparing Your Paper for Submission

Way too often, I have read submissions to my journal that were simply “not ready for prime time.”

The sentences are not well constructed, words are misspelled, some steps are not explained, or the text cites previous papers that are not listed in the references. These kinds of errors are not a good sign; they always make me wonder, “If this author can't handle even the simple problems, then how can I trust him or her to handle the big problems?” Therefore you need

When you are finished, and you think you are finally ready to submit the paper to a journal—don't! When you do submit the paper, the editor will likely send it to two different experts in the field and ask them to read it, provide comments, evaluate the paper, and advise him or her on whether to publish it. Those referees will find something wrong, and recommend against publication. Therefore, *before* you go through that process, you first need to send your finished paper to your advisor, your mentor, your friend, your colleague, and your spouse or significant other. Ask each of them to read it and provide comments, as if pretending to be an official referee. Then you can get some idea of what some “outside” referees might think about what you have done and what their comments might be.

Ask those readers for advice about how to fix the paper, and which journal would be best for submission.



The editor of that journal will undoubtedly reject your paper! That's fine, don't think about it; send it to another journal. After that next journal rejects your paper, send it to a third or fourth journal. The fact is that the profession includes lots of journals, so you're bound

to get published somewhere. The average time is about three years. When an editor likes your paper and thinks it might be publishable, he or she will send you a rejection! Read that letter carefully, because it might say, "I'm afraid I must reject your paper, but if you can address all of the referees' suggestions, then a suitable revision could be resubmitted." That's great news, and you're on your way!

Good luck, and enjoy the process!

NEA, continued

beyond African American students to include Hispanics, Native Americans, and others, including a small number of white students.

Many of the students who have participated in the Summer Program since its inception have gone on to earn graduate degrees in economics, including doctorates from some of the elite graduate programs in the field. Some completed graduate and professional studies in other fields, including business and finance, law, and public administration. A few became entrepreneurs. Most who remain in the economics profession now hold faculty positions at a variety of colleges and universities. But as a matter of fact and concern, as of 2006, about 90 percent of university economics departments in the United States do not have and have never appointed an African American to their faculty.

Appendix: Starter Ideas

- **Read the newspaper and recent economics journals; see what's hot and see where assertions are made without adequate evidence.**
- **When you read a theory paper, think about what assumptions are driving the results, and how to make alternative assumptions that might generate different results.**
- **When you read a theory paper, think about how to test it.**
- **For an empirical paper, think about "mistakes," or even just alternative procedures to test or measure the same effect.**
- **Think about other propositions that can be tested with the same data.**
- **Think about other data that can be used to test the same proposition.**
- **Update the data to a new year, to a new country, or to add observations for more years or more individuals. However, always start with replication.**
- **The "Introduction" is key; write it first, to get thinking, and rewrite it again at the end.**
- **Use only the first paragraph to state the question and describe its importance. Don't weave around, be overly broad, or use prior literature to motivate it (the question is not important because so many papers looked at this issue before!).**
- **Then use the second paragraph for a summary of the most relevant literature (not a full section!). Hint: use present tense, to be consistent. "Smith (1986) presents a similar model ..."**
- **Next, while still on page one, the third paragraph must begin: "The purpose of this paper is ...," and summarize what you actually do.**
- **That sets you up for the fourth paragraph, which lists "The contributions of this work"—relative to that prior literature. Clarify what you do that's different.**
- **The fifth paragraph then summarizes your results. Tell the answer, so they know what to expect, and how to think about each step along the way, what's driving your results.**
- **In the sixth and final paragraph, as an aid to the reader, plot the course for the rest of the paper. "The first section below presents a theoretical model that can be used to generate specific hypotheses. Then section 2 presents the econometric model ..."**

To Full Employment

Excerpts from “From Here to Full Employment” by William Darity Jr., January 2012; Samuel Z. Westerfield Address



William A. Darity, Arts & Sciences Professor of Public Policy, Professor of African and African-American Studies and Economics, Chair, Department of African and African American Studies, Director, Research Network on Racial and Ethnic Inequality, Sanford School of Public Policy, Duke University

The making of a white democracy was the consequence of a retreat from substantive Reconstruction. Charles Lane (2008 pp.3-4) has observed, “The work of [John Hope] Franklin, [Kenneth] Stampp, and [Eric] Foner properly emphasized the political and economic weaknesses of Reconstruction, such as the Radical Republican Congress’ failure to distribute land to Southern blacks, or the Grant Administration’s evolution from a revolutionary force to a patronage machine. ...

Congress *did* pass a land redistribution act on behalf of the ex-slaves – the first Freedman’s Bureau Act—but the land redistribution dimension of the act never was implemented and enforced. General Sherman’s Special Field Orders No. 15 granting 40 acres to ex-slaves along the Georgia and South Carolina coast was reversed by the end of 1865 upon direction by President Andrew Johnson. ...

So it should come as no surprise that the USA has been in violation of another important law that could potentially have disproportionate benefits for black America, the Full Employment and Balanced Growth Act of 1978, known popularly as the Humphrey Hawkins Act. The law mandates that if the private sector does not generate sufficient jobs to achieve full employment, the public sector should provide the missing work. President Obama could have acted to create a large scale jobs program in the midst of the current crisis by invoking the obligation mandated by the Humphrey-Hawkins Act. ...

To meet the mandate of the Humphrey-Hawkins Act and achieve the right to full employment – to bring national policy into conformity with national law – the

United States should establish a federal job guarantee for all citizens. Since the onset of the current economic depression, it has been a particularly appropriate time to take such a measure, but it is a measure that should be in place in both good times and bad times to the advantage of all Americans who face the threat of joblessness. Personally, I have been advocating this policy forcefully for four years. ... I want to remind everyone here that the essential idea can be found 40 years ago in “An Economic Bill of Rights” produced by a team of black economists who were among the founders of the NEA. ...

The United States needs to form a National Investment Employment Corps (Darity 2010) to provide work for all who want to work. States and municipalities would develop inventories of needed work to produce a job bank. Jobs could address both the physical and human infrastructure needs of the nation, including the building, repair and maintenance of roads, bridges, dams, mass transit systems, and school facilities. Employees of the National Investment Employment Corps could be put to work to rejuvenate the crippled postal system. Personnel could be trained to provide high quality child care for very young children, thereby facilitating parents capacity to take work. ...

[Read more when this speech is published in the *Review of Black Political Economy*]

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The views expressed in this article are the author’s, and they do not necessarily represent those of the AEA/CSMGEP, ASHE, or the NEA.

Economics Jobs Beyond Academia

While many people are familiar with the responsibilities of academic jobs, less is known about jobs for economists outside of academia. The following includes some examples of non-academic positions held by Ph.D. economists, described in their own words.

Human Services Division, Mathematica Policy Research

Location: Oakland, California

Robert Santillano is a Researcher at Mathematica Policy Research. In this position, he focuses on the evaluation of programs and policies, primarily for government agencies and foundations. The areas covered are broad and include labor, education, child welfare, international development, immigration, food and nutrition, among others. Most of the work is obtained through a competitive process where clients issue public requests for proposals. Mathematica submits proposals based on its researchers' interests. After projects are awarded, researchers work closely with their supervisors to determine which project teams they will join.

Santillano thinks the most interesting aspect of his work is knowing that it will be used by policymakers, who hire Mathematica to get objective and high quality research to drive their decisions. However, according to Santillano, because policymakers drive Mathematica's research agenda, it can be challenging to identify opportunities to work on research topics of interest that are not aligned with policymakers' current priorities.

Another exciting aspect of the job to Santillano is the collaboration within a collegial environment. Much of the work is conducted in teams of economists, other social scientists, survey researchers, and content experts. While the research divisions are largely comprised of Ph.D. economists, many researchers have backgrounds in related fields such as statistics, sociology, education, and health.

Santillano found out about this employment opportunity through an ad in the AEA's Job Openings for Economists (JOE), but says that he first learned about Mathematica while attending the AEA's Mentorship conference at Duke University for underrepresented populations. As a graduate student, Santillano was presenting at the conference, and a

Mathematica Researcher in attendance approached him afterward and encouraged him to apply. Through similar venues, Santillano says that Mathematica recruits economists from underrepresented populations, and also highlights that Mathematica has a summer fellowship for advanced doctoral students to work on "self-directed research on economic or social problems that affect minority groups and individuals with disabilities."

Santillano's advice for economists interested in public policy research is "to try to be aggressive at learning about different firms and identifying summer opportunities/fellowships that would broaden your knowledge." From his own experience, he states, "After being an AEA summer fellow at the Urban Institute through CSMGEP, I was even more convinced that I wanted to try the non-academic route." He also encourages those interested in public policy research to attend a public policy conference, such as APPAM, because there are academic and non-academic economists in attendance, all with strong policy interests. He adds that the top non-academic research firms are well-represented at APPAM, so it can be a great opportunity to learn about many different types of organizations. As Santillano advises:

"Do not be afraid to approach someone before or during the conference and ask them how their firm differs from others. After they initially respond, 'Other than being the best at what we do...', listen for answers that clarify how they get their work, how work is assigned to individuals at their firms, and what the career path is for most new researchers."

Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System

Location: Washington, D.C.

Barbara Robles is Senior Research Liaison in the Community Development Section, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System.

The job involves addressing community economic development issues that are affected by monetary policy and accommodative fiscal policy. This includes developing new research projects and supporting ongoing projects at the Board and at the Regional Reserve Banks.

Robles finds that one of the most interesting aspects of the job is bringing new researchers and practitioners to the policy table and engaging them in ongoing conversation. She adds that another exciting part of the job is “being able to create new research projects that directly address research and data gaps.” She describes one of the main challenges of the position as the “growing need to bring new cross-disciplinary social science research tools into the applied community development research methods tool kit.”

Robles learned about the position when she was sent the job advertisement by several colleagues in the foundation/community development field. More generally, she says the Board of Governors of the Federal Reserve System recruits its employees through “balanced outreach, mostly through AEA and Field Associations.”

Her advice for “newly minted” economists interested in this type of work is to:

“Be multi-skilled and ready to migrate your training from one field into other fields (Labor Economics into Small Business research; Public Finance into Community Economic Development, etc.). Be prepared for an explosion in data collection methodologies beyond the usual ‘assume a random sample’ in Econometrics 101. The world is a different place from traditional econometrics, and big data is here in real time and not only at the microdata level but at the regional and international levels.”

Economic Research Department, Federal Reserve Bank of Chicago

Location: Chicago, Illinois

Lisa Barrow has been at the Federal Reserve Bank of Chicago since the fall of 1998 and is a Senior Economist in the Economic Research Department. Her position involves conducting research with the aim of publishing in top academic journals and influencing (education) policy, as well as contributing to the Bank president’s preparation for Federal Open Market Committee meetings. Barrow finds many aspects of her job interesting. For one, she gets generous time and support to work on research and the freedom to choose her own topics. At the same time, she especially enjoys that the job provides her the opportunity to contribute to monetary policy decisions that have the potential for broad impact on the U.S. and world economies. When asked about the job’s main challenges, Barrow says she misses “the regular interaction with students” but at the same time notes that she doesn’t miss the grading.

Barrow heard about this position through word-of-mouth, although at the time, there was also an ad in the AEA’s *Job Openings for Economists* (JOE). The research department at the Chicago Fed advertises positions widely but also relies on a lot of networking to identify researchers who may be qualified and interested in working at the Fed. The department invites participants in The Ph.D. Project to give seminar talks at the Bank and hosts graduate students and young faculty through the AEA/NSF Summer Economics Fellowships to Advance the Careers of Women and Underrepresented Minorities.

Barrow’s advice for “newly minted” economists who might be interested in this type of employment:

“Generally, my department is looking for economists who are working on interesting, policy-relevant research topics and publishing in top economics and finance journals. Good writing and communication skills are also highly valued, and we are looking for colleagues with whom we can enjoy working on both research and policy.”

Announcements

NEA Mourns the Loss of Dr. Andrew Brimmer

Andrew Brimmer (1926–2012) earned his doctorate in Economics from Harvard University in 1957, and became the first African American member of the Federal Reserve Board in 1966. Dr. Brimmer became a member of the National Economic Association (NEA) in 1977, served on our board of directors, and was the third recipient of our prestigious Samuel Z. Westerfield Award. We join his family, and others whom he has touched, in remembering his many accomplishments and contributions, and in celebrating his life.

DITE Workshop

Diversity Initiative for Tenure in Economics (DITE) is a 1½ day research and mentoring workshop each summer operated by the Research Network on Racial and Ethnic InEquality, at the Social Science Research Institute, Duke University. DITE seeks to facilitate the successful transition of non-tenure track faculty to tenure track faculty, or from junior faculty status to a tenured, associate professor position among economists who diversify the economics profession (particularly African Americans, Latino/as, Native Americans). Interested applicants please contact Jackie Terrell at Duke for application materials. For more information, visit <http://thenetwork.ssri.duke.edu/national-science-foundation-diversity-initiative-tenure-economics-dite>.

Trejo Winner of ASHE Academic Achievement Award, 2012

ASHE chose Dr. Stephen J. Trejo to be the recipient of the ASHE Academic Achievement Award of 2012. He is Associate Director, Population Research Center, University of Texas at Austin; National Associate of the National Academies; member, Population Sciences Subcommittee for reviewing grant applications to the National Institute of Child Health and Human Development; member, National Academy of Sciences Panel to Study U.S. Hispanics, 2003-05; member, Institute of Medicine Committee to Study the Consequences of Health Uninsurance, 2000-03. He has authored over 30 articles in prestigious journals like *American Economic Review* and *Journal of Political Economy*. He has received over eight hundred thousand dollars in grants. For more information about Trejo, read “Economics is a Social Science” on page 14 of this newsletter.

CSMGEP Reimbursement of Journal Submission Fees for CSMGEP Session Presenters

REMINDER: CSMGEP will reimburse authors for their journal submission fees (up to \$250) for their papers presented in a CSMGEP session at the national conferences (ASSA, SEA, and WEAI meetings), as long as the paper is submitted within six months of the presentation. (Only one submission fee will be reimbursed per paper.) For more details, contact Cecilia Rouse at rouse@princeton.edu.

ASHE Awards Three Graduate Summer Fellowships

ASHE selected 3 students for the Graduate Summer Fellowship. The first place went to Mr. Alexander Brumlik from Georgia State University. There was a tie for the second place. The recipients were Mr. José Roberto Soto from the University of Florida and Mr. Lorenzo Almada from Georgia State University. The first placed received \$1000 award and the second place recipients received a \$100 award. In addition, each recipient was also given the option to have an ASHE Board member professionally review an academic paper that they plan to submit for publication within 24 months of the award; Graduate-Student-level ASHE membership for fiscal year 2013 (a value of \$10); one-year student subscription to the journal of your choice or a one-year student membership in the American Economic Association.

Diversifying Economic Quality: A Wiki for Instructors and Departments

As part of the American Economic Association's commitment to advancing diversity in the profession, CSMGEP announces a new online resource for economics faculty. [Diversifying Economic Quality: A Wiki for Instructors and Departments \(Div.E.Q.\)](http://wikis.swarthmore.edu/div_econ/index.php/Main_Page) promotes best teaching practices in economics, particularly practices that encourage members of underrepresented groups to continue their study of economics. Created by Amanda Bayer of Swarthmore College, Div.E.Q. presents useful information in an efficient manner, digesting the relevant research and identifying recommendations with empirical support, and offers a place where economists can share their research and learn from the collected wisdom of others. Div.E.Q. is online at http://wikis.swarthmore.edu/div_econ/index.php/Main_Page.

The Second Wave: A Research Conference

Excerpts taken from <http://artsandsciences.osu.edu/news/economics-professor-leading-national-conference-for-underrepresented-minorities>

On June 1, 2012, Ohio State University hosted the first-of-its-kind pilot program designed to support the advancement of mid-career economists from underrepresented groups.

The Second Wave: A Research Conference was organized by Trevon Logan, associate professor in the Ohio State Department of Economics, with the support of the AEA CSMGEP. The new conference provided graduate students and junior scholars from underrepresented groups an opportunity to present their work; develop a professional network of mentors, research collaborators and peers; and strategize ways to advance their research agenda while successfully facing the new demands that arise after tenure.

Over 20 minority faculty and economists from across the country came to Columbus for the program. Participants completed an ongoing project in preparation for journal submission, and participated in workshops related to research, professionalism, and networking. They were also paired with senior faculty from Ohio State and around the nation to help build a critical professional network and secure advice on their research, setting priorities, and navigating university politics and processes that affect research and tenure.

Mentoring Program Summer Conference

The Mentoring Program hosted the annual Summer Conference July 27 - 29, 2012 at the same site as the AEA Summer Training Program, the University of New Mexico in Albuquerque. The conference included a poster session to introduce AEA Summer Training Program participants to the Mentoring Program. The conference also provided a venue for graduate students, newly minted Ph.D.s, and even mentors to recharge their batteries after the academic year. The Mentoring Program covered mentee and mentor conference travel costs. Presentations from the 2012 conference included:

“On Forecasting Risk-Premia in Currency Markets” Chan Mang, 2012 graduate from Berkeley; National University of Singapore

“Does FDI Pick Up the Slack? A Look at FDI Inflows into the United States” Meisha Williams, University of Alabama

“On the Origins of Spatial Mismatch: Job Suburbanization and Black Employment” Conrad Miller, Massachusetts Institute of Technology

“Do Geographic Deregulations of Banking Affect Product Markets? Evidence from Manufacturers” Joel Meléndez-Lugo, University of Houston

“How Do Money Market Conditions Affect Shadow Banking Activity? Evidence From Security Repurchase Agreements” Karl Bouleware, University of Alabama

“Housing and Unemployment in a Dual Search Model” Ejindu Ume

“Estimating the Causal Effect of Airports on Changes in Regional Productivity” Marquise McGraw, University of California – Berkeley

“Health Economics” Keoka Yonette Grayson, University of Arizona

“Regime-Dependent Term Structure Model and Fixed Income Derivatives Pricing” Jared Levant, University of Alabama

“Federally Funded Legal Service and Crime: Evidence from the War on Poverty” Jamein Pernell Cunningham, University of Michigan

Sessions by 2012 Summer Conference Faculty

“Economics at Public Policy Institutions” Samuel Myers, Jr., University of Minnesota

“Stratification Economics” William A. Darity, Jr., Duke University

“The Panel Study of Income Dynamics (PSID) and Its Supplements: Using Them for Your Data Analysis” Ngina Chiteji, Associate Professor, Skidmore College

Selected Conference Sessions

AEA/ASSA Annual Meetings, January, 2012

CSMGEP Sessions

Crime and Terrorism

Chair: Cecilia Rouse, Princeton University

Discussants: Francisco Rivera-Batiz, Columbia University; Marlene Kim, University of Massachusetts-Boston; Patrick L. Mason, Florida State University; Steven Raphael, University of California-Berkeley

Papers:

“The Nonlinear Relationship between Terrorism and Poverty” Walter Enders and Gary A. Hoover, University of Alabama

“Terrorism and Patriotism: On the Earnings of U.S. Veterans after September 11, 2001” Alberto Davila and Marie T. Mora, University of Texas-Pan American

“The Color of Lynching” Lisa D. Cook, Michigan State University

“Race and Gender Differences under Federal Sentencing Guidelines” Supriya Sarnikar, Westfield State College; Todd Sorensen, University of California-Riverside & IZA; Ronald L. Oaxaca, University of Arizona & IZA

AEA CSMGEP - Dissertation Session

Chair: Marie Mora, University of Texas-Pan American

Discussants: Mark Hugo Lopez, Pew Hispanic Center; Gary Hoover, University of Alabama; Sue Stockly, Eastern New Mexico University; Don Fullerton, University of Illinois; Fernando Lozano, Pomona College

Papers:

“Debt, Cohabitation and Marital Timing in Young Adulthood” Fenaba Addo, Cornell University

“Do Women’s Autonomy, Decision-Making Ability and Attitudes Matter as Deterrents for Domestic Violence? Evidence from the Dominican Republic” Cruz Bueno, University of Massachusetts-Amherst

“The Effectiveness of Abstinence-Only Sex Education in Alabama” Sondra Collins, University of Southern Mississippi

“Marital Separation and Women’s Demand for Schooling” Reginald Covington, Cornell University

“The Role of Liquidity on the Price Discovery of ADRs: Evidence from Latin America” Alma D. Hales, University of Texas-Pan American

NEA Sessions

For more information, contact NEA President, Jessica Gordon Nembhard at professorgn@gmail.com; and attend our sessions at the 2013 ASSA meetings in San Diego, CA.

The Status of Blacks in the Economics Profession (NEA/AEA)

Chair: Juliet Elu, Morehouse College

Discussants: James Peoples, University of Wisconsin-Milwaukee; William Spriggs, Howard University; Linda Loubert, Morgan State University; Margaret Simms, Urban Institute

Papers:

“The Scholarly Status of Black Economists” Gregory Price, Morehouse College

“The Status of Black Economists on Economics Faculties” William A. Darity, Jr., Duke University

“African Americans and Their Contribution to the Creation and Execution of Monetary Policy, Financial Regulation, and Economic Research within the Federal Reserve System” LaVaughn M. Henry, Federal Reserve Bank of Cleveland-Cincinnati Branch

“The Status of Black Economists in Government” Bernard Anderson, University of Pennsylvania

“The Status of Black Economists in Public Policy Programs” Samuel Myers, Jr., University of Minnesota

“The Contemporary and Historical Pipeline of Black Economists” Rhonda Sharpe, Bennett College for Women; Omari Swinton, Howard University

Political Economy of Climate Change

Chair: Michelle Holder, New School for Social Research

Discussants: Lawrence Evans, Jr., Government Accountability Office; Susan Ozawa, New School for Social Research; Rex McKenzie, University of Witwatersrand, Johannesburg, South Africa

Papers:

“An Empirical Examination of Transaction Costs, Price Volatility and Trading Volume of Phase II of the European Carbon Emissions Market” Tazewell V. Hurst III, International Association of Machinists and Aerospace Workers (IAMAW)

“Economic Justice and Climate Risk: Poor People and Economic Policy as the Weather Gets Much Worse” Marcellus Andrews, Barnard College, Columbia University

“Is Green Manufacturing Good for Black Africa? The Effect of Carbon Emissions on Manufacturing Productivity in Sub-Saharan Africa” Juliet Elu and Gregory Price, Morehouse College

“Climate Policies and Structural Change--Employment and Output Effects of Sustainable Growth” Daniel Samaan, International Labour Organization (ILO)

The Phenomenal Woman: Overworked and Underpaid

Chair: Susan Williams McElroy, University of Texas-Dallas

Discussant: Margaret Simms, Urban Institute

Papers:

“Black Female Earnings and Income Volatility” Bradley Hardy, American University

“The Plight of African American Women: The Employed and Unemployed” Linda Loubert, Morgan State University

“An Analysis of Black-White Wage Differences in Nursing: Wage Gap or Wage Premium?” Richard Gregory, University of Wisconsin-Whitewater

“Increasing the Return to ‘Women’s Work’: Women of Color in Social and Service-Sector Worker Cooperatives” Jessica Gordon Nembhard, John Jay College, CUNY

From Subprime Lending to Foreclosures: America’s Invisible Crisis of Race and Inequality

Chair: Gary Dymski, University of California-Riverside

Discussants: William Darity, Jr., Duke University; Arthur Paris, Syracuse University

Papers:

“Race, Power, and the Subprime/Foreclosure Crisis: A Meso Analysis” Gary Dymski, University of California-Riverside; Jesus Hernandez, University of California-Davis; Lisa Mohanty, Trident University International

“Impacts of Foreclosure on Racial Inequalities in Homeownership and Wealth” Vanesa Estrada, University of California-Riverside

session continued pg 24

"Explaining the Trajectory of Foreclosures in Southern California Latino Neighborhoods" Emily Molena, University of California-Santa Barbara; Deirdre Pfeiffer, Arizona State University; Paul Ong, University of California-Los Angeles

"Predatory Mortgage Lending, Race, and Dodd-Frank" Sandra Phillips, Syracuse University

"Subprime Lending, Foreclosures, and Race: An Invisible National Crisis?" John Powell and Christy Rogers, Ohio State University

"Five Realities About the Current Financial and Economic Crises" Jim Carr, National Community Reinvestment Coalition

Race, Ethnicity, Immigration and Entrepreneurship

Chair: Patrick Mason, Florida State University

Discussants: John Karikari, Government Accountability Office; Ruth Uwaifo Oyelere, Georgia Institute of Technology; Marie Mora, University of Texas-Pan American; Una Okonkwo Osili, Indiana University-Purdue University-Indianapolis; Kwabena Gyimah-Brempong, University of South Florida

Papers:

"Racial/Ethnic Differences in Technology Usage among Small Business Owners" Marie Mora and Alberto Davila, University of Texas-Pan American

"Hispanic Entrepreneurship: An Analysis of Industry Choice and Entrepreneurial Success" Mary J. Lopez, Occidental College

"Discrimination in the Credit Market: A Focus on African American-Owned Small Businesses" Akwasi Nti-Addae and James Freeman, University of Kansas; Elizabeth Asiedu, University of Kansas and African Economic Research Consortium, Kenya

"Do Immigrants from Developed Countries Have an Advantage in Self-employment in the U.S.?" Ruth Uwaifo Oyelere and Willie Belton, Georgia Institute of Technology

"Home Bias? Evidence from U.S. Immigrants" Una Okonkwo Osili and Subei Li, Indiana University-Purdue University-Indianapolis; Anna Paulson, Federal Reserve Bank of Chicago

WEAI Annual Meetings, July, 2012

How to Give Effective Presentations

Chair: Rucker C. Johnson, University of California, Berkeley

Discussants: Marie T. Mora, University of Texas-Pan American; Mark Hugo López, Pew Hispanic Center

Higher Education: Access, Affordability, & Long-term Consequences

Chair: Rucker C. Johnson, University of California, Berkeley

Discussants: Marie T. Mora, University of Texas-Pan American; Mark Hugo López, Pew Hispanic Center

Papers:

"Paying for Performance: The Education Impacts of a Community College Scholarship Program for Low-Income Adults" Lisa Barrow, Chicago Federal Reserve Bank and Cecilia Rouse, Princeton

"Quantile Treatment Effects of College Quality on Earnings: Evidence from Texas" Rodney Andrews, University of Texas-Dallas; Michael Lovenheim, Cornell

"The Impact of Parental Wealth on College Enrollment & Degree Attainment: Evidence from the Housing Boom & Bust" Rucker Johnson, UC-Berkeley

"Does Federal Financial Aid Affect College Enrollment? Evidence from Drug Offenders and the Higher Education Act of 1998" Michael Lovenheim and Emily Owens, Cornell

Migration and Income Distribution (ASHE)

Chair: Salvador Contreras, The University of Texas-Pan American

Discussants: Jose Martinez Navarro and David J. Molina, University of North Texas; Alberto Dávila, The University of Texas-Pan American

Papers:

"The Impacts of the Great Recession on Immigrant Agricultural Labor" Maoyong Fan, Ball State University; Anita Alves Pena, Colorado State University

"Overlapping Networks from Immigrant Apprehensions, Carnet de Identidades, and Remittances from Mexico" Belinda Román, Saint Mary's University; David J. Molina, University of North Texas

"Does Globalization Affect Top Income Inequality?" René Cabral and Rocío García-Díaz, Tecnológico de Monterrey; André Varella Mollick, University of Texas - Pan American

Remittances and Academic Engagement (ASHE)

Chair: Jose Martinez Navarro, University of North Texas

Discussants: Marie T. Mora, The University of Texas-Pan American; David J. Molina, University of North Texas; Luisa Blanco Raynal, Pepperdine University

SEA Annual Meetings, November, 2012

Economics of Race and Ethnicity

Chair: Samuel L. Myers, Jr., University of Minnesota

Organizer: Francisca Antman, University of Colorado at Boulder

Discussants: Alan Barreca and Keith Finlay, Tulane University; Susan Pozo, Western Michigan University; Sharri C. Byron, Auburn University Montgomery

Papers:

"The Long-Term Consequences of Distinctively Black Names" Lisa D. Cook, Michigan State University; Trevon D. Logan, The Ohio State University; John M. Parman, College of William and Mary

"The Impact of Affirmative Action on the Employment of Minorities and Women Over Three Decades: 1973-2003" Fidan Ana Kurtulus, University of Massachusetts Amherst

"Hispanics and the Great Recession: Differences in Unemployment Rate Duration by Ethnicity and Race 2003-2010" Harvey Cutler, Anita Alves Pena, and Martin Shields, Colorado State University

"Small Businesses as a Tool of Poverty Alleviation Among Minority Groups" Inoussa Boubacar, University of Wisconsin-Stout; Gibson Nene, University of Minnesota Duluth

Cross Border Issues: Manufacturing, Migration and Crime (ASHE)

Chair: Pia M. Orrenius, Federal Reserve Bank of Dallas.

Discussants: David J. Molina, University of North Texas; Vange M. Ocasio, Whitworth University; Anita Alves Pena, Colorado State University

Papers:

"Offshoring and Volatility: More Evidence from Mexico's Maquiladora Industry" Roberto Coronado, Federal Reserve Bank of Dallas

"Unauthorized Immigration and Crime in the United States" Griselda Martinez, New Mexico State University and Manuel Reyes-Loya, University of North Texas

"How Do Economic and Political Status Affect Female Victimization in Mexico?" Yu Lui and Thomas M. Fullerton, Jr., University of Texas at El Paso

"Homicides, Exchange Rates, and Northern Border Retail Activity in Mexico" Thomas M. Fullerton, Jr. and Adam G. Walke, University of Texas at El Paso

The Department of Economics at UMass Amherst joins NEA and CSMGEP in mourning the loss of Dr. Andrew Brimmer (*The Minority Report*, Issue 5, Winter 2013, p. 21). In addition to his pioneering membership on the Federal Reserve Board, significant service to the National Economics Association, and many years of successful private practice, Dr. Brimmer was also a longtime member of the Economics faculty at UMass Amherst. I feel fortunate to have known him and benefited greatly from his insightful analyses. My colleagues and I miss him greatly. The UMass Amherst obituary is available at the following link <http://www.umass.edu/loop/content/obituary-andrew-f-brimmer-former-wilmer-d-barrett-professor-economics>.

Sincerely,

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