

**2015 Illinois Economics Association
45th Annual Meetings
October 16 & 17, 2015**

Hosted by

The Department of Economics
DePaul University
Chicago, Illinois

DePaul Center 8005
8th Floor
1 East Jackson Boulevard
Chicago, IL 60604

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<http://cee.econ.uic.edu/iea/>

Conference Schedule at a Glance

Friday, October 16

9:00 - 10:30 A.M.	Concurrent Sessions A Session A1: Health Economics I Session A2: Financial Economics I Session A3: Fed Challenge Team	Location: Room 8009 Room 8010 Room 8014 DPC
10:30 - 10:45 A.M.	Break	
10:45 A.M. - 12:15 P.M.	Concurrent Sessions B Session B1: Labor Economics I Session B2: Development I Session B3: Health Economics II Session B4: Derivatives Markets	Location: Room 8009 Room 8010 Room 8014 DPC Room 8011
12:25 - 1:35 P.M.	Luncheon and Keynote Address "Design of Informational Environments" Dr. Emir Kamenica, University of Chicago	Room 8005
1:45 - 3:15 P.M.	Concurrent Session C Session C1: Firm and Org. Behavior Session C2: Financial Economics II Session C3: Micro Theory and Experiment Session C4: Economic History	Location: Room 8009 Room 8010 Room 8014 DPC Room 8011
3:15 - 3:30 P.M.	Break	
3:30 - 5 P.M.	Concurrent Session D Session D1: Development II Session D2: Labor Economics II Session D3: IO and Pricing	Location: Room 8009 Room 8010 Room 8014 DPC

Saturday, October 17

8:30 - 9:45 A.M.	Concurrent Sessions E Session E1: International Economics Session E2: Sports Economics	Location: Room 8009 Room 8010
9:45 - 10 A.M.	Break	
10:00 - 11:30 A.M.	Concurrent Sessions F Session F1: Fiscal Policy Session F2: Issues in Macro and Monetary Ecc Session F3: Economic Theory	Location: Room 8009 Room 8010 Room 8014 DPC
11:45 A.M. - 12:45 P.M.	Graduate Student Paper Awards	Room 8005
1:00 P.M.	Executive Committee Meeting	

Dear Participants, Members, and Guests,

Welcome to the 45th annual Meetings of the Illinois Economic Association. Thank you to everyone for sharing your research and expertise here at our conference. Your efforts and support make it possible to put together a great program.

This year, we are delighted to present more than 50 papers spread across 18 sessions, as well as the College Fed Challenge competition and the Graduate Student Paper competition. We'll have many graduate students presenting their work during the conference, and I am proud of the opportunity the IEA has provided for our student scholars.

The Illinois Economic Association has a long tradition of outstanding keynote speakers, and this year is no exception. We are pleased to welcome behavioral economist Emir Kamenica from the University of Chicago for this year's address. Professor Kamenica's presentation is titled, Design of Informational Environments, and will be delivered during Friday's luncheon.

Many people deserve thanks for their help in organizing this conference. Please visit the booths of our sponsors: Pearson Higher Ed, McGraw Hill Education, and Worth Publishers/Macmillan Education. We are also extremely grateful for the support of DePaul University and the DePaul Economics Department for their financial support and for providing these excellent facilities. Special thanks to Department Chair Tom Donley and to Tony Krautmann, Jin Choi, and Steve Carlton at DePaul for their financial assistance and help in coordinating the venue.

Thank you also to Carol Martell, Helen Roberts, and Houston Stokes for their efforts with administration and the website. Thank you to Richard Peck for organizing and judging the Graduate Student Paper Competition.

I would also like to thank Shane Sanders and Justin Ehrlich for helping to coordinate this year's program. Thank you to President Michael Wenz for his incredible leadership in organizing an excellent IEA Meeting last year and in helping to do so again this year. His leadership is very important to the Association. Finally, thank you to all of you for sharing your work with us. I am proud to be a part of this year's event, and I hope you will all join us again next year.

Sincerely,

Bhavneet Walia
IEA President-Elect
Department of Economics and Decision Sciences, Western Illinois University

Concurrent Sessions A
Friday October 16, 2015
9:00 - 10:30 A.M.

Session A1: Health Economics I

Chair: Tamkeen Khan, American Medical Association

"Finding and Treating the Missing Patients: Does Subsidizing Screening Result in More Health Care?" Rebecca Myerson, Chicago (co-authored with Lisandro Colantonio and Monika Safford)

"Why do Medical Expenditures Rise Prior to Diabetes Diagnosis?" Tamkeen Khan, American Medical Association (co-authored with Grebory D. Wozniak)

"The Effect of Narrow Provider Networks on Health Care Use." Alicia Atwood, UIC (co-authored with Anthony T. Lo Sasso)

Discussant 1: Alicia Atwood, UIC

Discussant 2: Patricia I. Ritter Burga, Chicago

Discussant 3: Jing Dong, Chicago

Session A2: Financial Economics I

Chair: Houston Stokes, UIC

"Using Nonlinear Testing Procedures to Specify the Right Hand Side of an Aggregate Production Function Containing Financial Variables in the Period 1967-2011." Houston Stokes, UIC.

"What Mean-Square Stability, Adaptive Learning, and Regime Switching Tells Us about the Forward-Premium Puzzle?" Jason R. Reed, Notre Dame.

"Macroeconomic Volatility and the Current Account: Evidence from a Panel of OECD Countries." Georgios Karras, UIC

Discussant 1: Jin Man Lee, DePaul University

Discussant 2: Georgios Karras, UIC

Discussant 3: Deborah Cernauskas, Benedictine University

Session A3: Fed Challenge Team

Chair: Helen Roberts, UIC

UIC Team

Christopher Cole
Miguel Coronel Garcia
Mary Kate Esposito
Rodrigo Garcia
Borislav Katzarov
Daniel McGuire
Emil Mihaylov
Al Reyes
Brian Waddell
Hyung Yun (Eliana)

DePaul Team

Names to be announced

Fed Challenge teams analyze and discuss the current state of the economy

Concurrent Sessions B Friday October 16, 2015 10:45 A.M. - 12:15 P.M.

Session B1: Labor Economics I

Chair: Anthony Paul Andrews, Governors State University

"Unemployment and Employment Compensation in the US and UK: A VAR Approach."
Anthony Paul Andrews, Governors State University

"Information and Higher Education Choices: Experimental Evidence from Bogotá, Colombia."
Leonardo Bonilla, UIUC (with Nicolas Bottan and Andres Ham)

"Minimum Wages and School Enrollment: New Evidence from County Pairs." Zheng Pan,
Northern Illinois University

Discussant 1: Scott W. Hegerty, Northeastern Illinois University

Discussant 2: Hosein Joshaghani, Chicago

Discussant 3: Young Jo, USDA Economic Research Service

Session B2: Development I

Chair: Evelina Mengova, Governors State University

"Indirect Effects of Conditional Cash Transfers: Evidence from Pakistan." Maryam Mirza, UIC

"Nonlinearity in the Efficacy of Foreign Aid and Evidence of Poverty Traps." Nicholas Larsen, Eastern Washington University

"Going Global: The Internationalization Strategies of Ghanaian Service Companies within the ECOWAS Market." Stephen Armah, Asheshi University College (co-authored with Samuel Seglah)

"A Forgotten Mortgage Institution: Mortgage Associations." Marek Bryx, Warsaw School of Economics

Discussant 1: Nicholas Larsen, Eastern Washington University

Discussant 2: Marek Bryx, Warsaw School of Economics

Discussant 3: Justin Ehrlich, Western Illinois University

Discussant 4: Stephen Armah, Asheshi University College

Session B3: Health Economics II

Chair: Alicia Atwood, UIC

"Obesity, Carbonated Soft Drink Prices, and Water Shortages." Patricia I. Ritter Burga, Chicago.

"Effects of Long-Term Care Insurance on Financial Well-Being." Jing Dong, Chicago (co-authored with R. Tamara Konetzka and Fabrice Smieliauskas)

"Does Prescription Drug Insurance Cause Moral Hazard Among the Sick? Evidence from Medicare Part D." Abraham A. Asfaw, Northern Illinois University

Discussant 1: Abraham A. Asfaw, Northern Illinois University

Discussant 2: Tamkeen Khan, American Medical Association

Discussant 3: Rebecca Myerson, Chicago

Session B4: Financial Innovations in Derivatives Market

Chair: Jin W. Choi, DePaul University

"Development of Successful New Futures Contracts," Paul E. Peterson, UIUC

"Advantages of a Traditional Portfolio Allocating to a Volatility Index," Mark Shore, DePaul U.

"Daily Privileges: The History, Mechanics, and Pricing Efficiency," Jin W. Choi and John Berdell, DePaul University

Discussant 1: Mark Shore, DePaul University

Discussant 2: Jin W. Choi, DePaul University

Discussant 3: Paul E. Peterson, University of Illinois at Urbana-Champaign

Luncheon Keynote Address

Friday October 16, 2015

12:25 - 1:35 P.M.

"Design of Informational Environments"

Dr. Emir Kamenica
University of Chicago

Dr. Kamenica is a Professor of Economics at University of Chicago Booth School of Business, where he conducts research in applied microeconomics. and marriage markets, His research uses experimental and theoretical methods to understand topics such as the design of informational environments, dating and marriage markets, the psychology of incentives, persuasion, and several other interesting and important topics.

Kamenica is a recipient of the 2013 Alfred P. Sloan Research Fellowship. He currently holds an Associate Editor position with the Journal of the European Economic Association. He earned a Ph.D. in economics from Harvard University in 2006 and a bachelor's degree in Applied Mathematics (also from Harvard) in 2001.

Concurrent Sessions C
Friday October 16, 2015
1:45 - 3:15 P.M.

Session C1: Firm and Organizational Behavior

Chair: Thomas R. Sadler, Western Illinois University

"Why Firms may Adopt Proactive Environmental Management Strategies: The Case of Polluting Emissions." Thomas R. Sadler, Western Illinois University

"Modelling the Impact of Airline Product Quality on Passengers' and Airlines' Behavior." Jules O. Yimga, Kansas State University (with Philip G. Gayle)

"A Cultural Shift in Global Cricket." Anish K.C., EIU

"Uncertainty and Irreversible Investment: An Analysis of Alaskan Oil Well Drilling." Daniel J. Pastor, UTEP

Discussant 1: Jules O. Yimga, Kansas State University

Discussant 2: Shankar Ghimire, Western Illinois University

Discussant 3: Thomas R. Sadler, Western Illinois University

Discussant 4: Sudipta Roy, University of St. Francis

Session C2: Financial Economics II

Chair: Jin Man Lee, DePaul University

"Risk Pricing of Wholesale Funds and the Behavior of Retail Deposit Rates." Timothy Opiela, DePaul University (co-authored with Ruby Kishan)

"The Role of Securitization in Bank Lending Channel: Evidence from U.S. Commercial Banks." Stephen H. Kim, UIC

"Performance of Mortgage for the Commercial Banks." Jin Man Lee, DePaul University (co-authored with Jin W. Choi and Eun Sun Ahn)

"Determinants of Financial Development in India: Results from Cointegration and Causality Analysis." Keshob Sharma, EIU

Discussant 1: Houston Stokes, UIC

Discussant 2: Timothy Opiela

Discussant 3: Keshob Sharma

Discussant 4: Stephen H. Kim

Session C3: Microeconomic Theory and Experimentation

Chair: Anna A. Klis, Northern Illinois University

"Pre-Matching Gambles." Hanzhe Zhang, Michigan State University

"When is Bad 'Bad Enough'? A Framework for Analyzing Benefits of Coordination under Externalities." Anna A. Klis, Northern Illinois University

"Investment in Concealable Information by Biased Experts." Frances Xu Lee, Northwestern (with Navin Kartik and Wing Suen).

Discussant 1: Frances Xu Lee, Northwestern

Discussant 2: Hanzhe Zhang, Michigan State University

Discussant 3: Anna A. Klis, Northern Illinois University

Session C4: Economic History

Chair: Louis Cain, Loyola University Chicago and Northwestern University
(co-organized by Laura Owen)

"Points and Urbanization: Evidence From 19th Century Railroad Gauges." Heyu Xiong, Northwestern University

"Does Sample-Selection Bias Explain the Antebellum Puzzle? Evidence from Military Enlistment in the Nineteenth-Century United States." Ariell Zimran, Northwestern University

Discussant 1: William Sander, DePaul University

Discussant 2: Carlos Villarreal, Blue Cross Blue Shield Association

Concurrent Sessions D
Friday October 16, 2015
3:30 - 5:00 P.M.

Session D1: Development II

Chair: Shankar Ghimire, Western Illinois University

"The Effect of Resource Exploitation on the Economic Development of China's Resource-based Cities." Fan Yang, Southeast University (China)

"Effectiveness of Aid-for-Trade on Reducing Export Variability: Searching for Best Predictors Using LARS." Shankar Ghimire, Western Illinois University

"TV White Space Technology for Rural Broadband Connectivity and User Experience: A Case Study of Kofuridua Polytechnic." Stephen Armah, Asheshi University College (co-authored with Kwesi Assan Biney) in other development session

Discussant 1: Stephen Armah , Asheshi University College

Discussant 2: Maryam Mirza, UIC

Discussant 3: Fan Yang, Souteast University (China)

Session D2: Labor Economics II

Chair: Scott W. Hegerty, Northeastern Illinois University

"Employment Cycle Co-movements and Economic Integration between Milwaukee and Chicago." Scott W. Hegerty, Northeastern Illinois University

"Sector-specific Human Capital: Job Displacement, Sector Switchers vs Stayers." Hosein Joshaghani, Chicago

"Economic Impacts of SNAP Participation in Nonmetro vs. Metro Counties." Young Jo, USDA Economic Research Service (co-authored with John Pender and Cristina Miller)

"Free Ride: Public Transportation Policy, Senior Citizens, and Traffic Fatalities." Billy Foster, Arizona State University (co-authored with Brian Goegan)

Discussant 1: Anthony Paul Andrews, Governors State University

Discussant 2: Leonardo Bonilla, UIUC

Discussant 3: Billy Foster, Arizona State University

Discussant 4: Zheng Pan, Northern Illinois University

Session D3: IO and Pricing

Chair: Nicholas Larsen, Eastern Washington University

"Advertising Restrictions and Market Power in the Tobacco Industry: A Cross Country Analysis."
Maryam Mirza, UIC

"Structural Separation in the Railways Sector: it is not Sauce for the Goose only." Marcin Krol,
Warsaw School of Economics

"Transfer Pricing and Profit Splits: Quantifying Intangibles in a Multinational Enterprise." Ryan
Decker and Richard Dadzie (co-presenting), PwC Chicago

"The Impact of Missionary Type on the English Language Proficiency and Earnings of Immigrants."
Nicholas Larsen, Eastern Washington University (co-authored with Barry R. Chiswick)

Discussant 1: Richard Dadzie, PwC Chicago

Discussant 2: Ryan Decker, PwC Chicago

Discussant 3: Marcin Krol, Warsaw School of Economics

Discussant 4: Maryam Mirza, UIC

Concurrent Sessions E

Saturday October 17, 2015

8:30 - 9:45 A.M.

Session E1: International Economics

Chair: Deborah Cernauskas, Benedictine University

"Belarussian Export Potential: Gravity Model Approach." Alena Kalodzitsa, EIU

"Predictable Profits in the Foreign Exchange Markets." Deborah Cernauskas, Benedictine University
(co-authored with Leslie McNew and Larissa Miller)

Discussant 1: Deborah Cernauskas, Benedictine University

Discussant 2: Alena Kalodzitsa, EIU

Session E2: Sports Economics

Co-Chair: Anthony C. Krautmann, DePaul University

Co-Chair: Kris McWhite, University of Georgia

“openWAR: An Open Source System for Evaluating Player Performance in MLB.” Greg Matthews, Loyola University – Chicago

“Choosing ‘Flawed’ Aggregation Rules: The Benefits of Social Choice Violations in a League that Values Competitive Balance” presented by Shane Sanders, Western Illinois University (co-authored with James Boudreau)

"Salary Determination among NCAA FBS Head Coaches Salaries." Stacy Brooks, U. of Iowa

Discussant 1: Michael Wenz, Northeastern Illinois University

Discussant 2: John L. Solow, University of Iowa

Discussant 3: Kevin Quinn, St. Norbert College

Concurrent Sessions F

Saturday October 17, 2015

10:00 - 11:30 A.M.

Session F1: Fiscal Policy

Chair: Ryan M. Gallagher, Northeastern Illinois University

"Small Homes, Fiscal Externalities, and the Property Tax: Evidence from the Cities and Schools, 1970-2010." Ryan M. Gallagher, Northeastern Illinois University

"The Effects of Openness on the Stabilizing Role of Fiscal Policy." Michael Chia-Yu Yang, UIC

"Feedbacks, Individual, and Systematic Risk of Denominated Debt in Poland." Ireneusz Dabrowski, Warsaw School of Economics

Discussant 1: Michael Chia-Yu Yang UIC

Discussant 2: Ireneusz Dabrowski, Warsaw School of Economics

Discussant 3: Ryan M. Gallagher, Northeastern Illinois University

Session F2: Issues in Macroeconomics and Monetary Policy

Chair: Semih Cekin, Governors State University

"The Behavior of Interest Rates and Exchange Rates: Assessing the Merits of Monetary Policy Coordination among Emerging Economies." Semih Cekin, Governors State University (co-authored with Menelik Geremew)

"The Impact of Quantitative Easing on the Term Structure of Libor Rates." Deborah Cernauskas, Benedictine University (co-authored with Alexander Huba and Apostolos Xanthopoulos)

"Synchronization in House Prices across U.S. States and its Macroeconomic and Financial Linkages." Hardik A. Marfatia, Northeastern Illinois University

Discussant 1: Jason R. Reed, Notre Dame

Discussant 2: Hardik A. Marfatia, Northeastern Illinois University

Discussant 3: Semih Cekin, Governors State University

Session F3: Economic Theory

"Rank Sum Aggregation: Origin, Applications, and Social Choice Characteristics." Justin Ehrlich, Western Illinois University (co-authored with James Boudreau and Shane Sanders)

"Games with Uncertainty in Beliefs." Ehsan Azarmsa and Negin Mousavi (co-presenting), Chicago (co-authored with Nasser Sadati)

Discussant 1: Ehsan Azarmsa

Discussant 2: Daniel J. Pastor, UTEP

11:45 A.M. - 12:45 P.M. Graduate Student Paper Awards Room 8005

Chair: Richard M. Peck

1:00 P.M. Executive Committee Meeting Room 8005

