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Checking In With Econ Students Abroad

By Nat Sahlstrom

Each year the University of Washington sends students across the globe in pursuit of enriching their undergraduate experience. The Economics Department participates in study abroad via its direct exchange with four different Universities: Thammasat University in Bangkok, Tilburg University in the Netherlands, Munich University in Germany, and its newest exchange with the University of Aix-Marseille in France. I tracked down UW students Sol Deleon, currently in Thailand and the E.U.Bs own Sean Evers in Munich, and asked them about their experiences studying abroad.

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Picture from Thammasat University in Thailand

Economics Book Guide

By Asa Martin

Looking for the perfect gift for someone special this Holiday season? Do you think that Economics is cool but you find that others do not share your enthusiasm? We on the EUB have an answer to both of those questions. We compiled a short list of books as possible gift ideas to introduce others to the varied aspects of Economics.

Josh Baxley recommends *Naked Economics: Undressing the Dismal Science*, by Charles Wheelan. Josh says, "If you received only blank stares or groans of distress upon informing your parents of choosing Economics as a major, then read this book and pass it along! *Naked Economics* covers the essentials of the field in a thoughtful and humorous way." Wheelan covers the full realm of Micro and Macro topics, such as Economics of Information, Human Capital, Financial Markets and the Federal Reserve. With Chapter titles such as "Why is Bill Gates so much richer than you are?" and "The good news about Asian sweatshops" Wheelan tackles serious subjects in an entertaining manner.

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Studying Economics Abroad

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Nat: How are the classes different in Thailand compared to UW? How are they the same?

Sol: I am enrolled in the International Program at Thammasat University. The difficulty of classes is fairly similar to the equivalents at the UW, but a number of international students have been duped into a false sense of security. Being a semester school, the time frame of teaching is slower than the UW. Some students associate the slower pace with more free time and are surprised when midterms and paper deadlines approach.

Nat: Do you notice a difference in economic philosophies? Keynesian, Neo classical, Marxist?

Sol: The books and foundational theories are the exact same as the ones used in the states, only with the words International Edition written across the top and about the fifth of the price in the states. In certain classes there will be a focus on the Thai economy or Thai economic history. A number of Thammasat's professors work outside the university, in the Thai central bank or the South-East Asia center for the World Bank.

Nat: What sort of preparation would you recommend to students who want to study abroad?

Sol: The opportunity to study abroad is amazing. I suggest it to any adventurous student or any one interested in pursuing a concentration in international economics. Be sure that you plan early and turn your forms in punctually. Taking a basic Thai course might not be a bad idea, but trying to learn Thai can be a lot of fun. Plus, Thais are friendly and forgiving of your language mistakes.

Nat: Describe your housing and perhaps some day to day activities.

Sol: On Tuesdays and Thursdays, I wake up for an eight o'clock class in international monetary economics, which I occasionally daydream through. This is my only large lecture class. Then I attend mathematical economics (more math than economics), followed by econometrics. Then I finish off with a Thai language course for non-Thais, which is very hands on with only five people enrolled. Somewhere in there, I will find the time to eat lunch at the cafeteria. The food they serve here is amazingly delicious considering it cost about 60 cents. Then I may spend some time in the computer lab or library before I catch the ferry back across the river to my apartment. Along the walk home, I might buy a bag of cut fruit or Thai sweets for about 25 cents. Most nights you can find some other foreign exchange students or Thais going out. I tend not to go out on Tuesday nights because I have a class on government revenue Wednesday mornings, but it's nice to have the option available. There are very few classes offered on Monday, so there is enough time on the weekends to travel outside of Bangkok. If you are willing to miss a day or two of class you can easily make it to the south of Thailand, where the best beaches are.

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Questions, Comments, Concerns?
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Nat: What do you miss most about home?

Sol: I miss good cheese, followed closely by friends and family in the States.

Nat: Any amusing anecdotes or observations?

Sol: Drinking from buckets can lead to trouble. It doesn't hurt to have a designated sober person to make sure no one does anything he or she will regret in the morning. ■

EUB on the Web:

<http://depts.washington.edu/ecnboard>

Economics Book Guide

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Daniel Stoops suggests *Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life*, by Avinash K. Dixit and Barry J. Nalebuff. This book is an international bestseller, required reading for many business schools and the secondary text for Economics 485 – Game Theory. It’s an overview of the ideas behind game theory, taking examples from a wide array of subjects, including politics, sports, business, even gambling. Daniel likes *Thinking Strategically* because it “encourages the use of strategic thinking and game theory in everyday life. There are plenty of interesting, well developed examples to help you apply what you have learned.”

If you know any budding economists, or those who wonder what economists study, Nat Sahlstrom thinks *How to be Human* : *Though an Economist*, by Deirdre McCloskey is a good choice. Nat says, “This book is an anthology of collected Journal articles the author wrote over the years, mainly from *The Eastern Economic Journal*. Topics include how to write clear, concise economics orientated papers as well as critiques of economic thought ranging from econometrics to game theory. As an undergraduate I was able to get a glimpse of the world of the academic economist by reading this book. Anyone thinking about graduate school in economics will garnish valuable information from McCloskey’s insights.”

Daniel Stoops and I recommend *Confessions of an Economic Hitman*, by John Perkins, former chief economist at Boston consulting firm Chas. T. Main. Although at times reading like fiction (and to be fair, some claim it is fiction) *Confessions* tells the story of how Perkins became an economic planner and helped convince foreign governments to accept billions of dollars of loans from the World Bank and other institutions to build infrastructure projects that he says the countries could not afford. Perkins writes, “Economic hit men (EHMs) are highly paid professionals who cheat countries around the globe out of trillions of dollars.” He also describes how he became an Economist. He said most of his Economics background came from the Boston Public Library. He even taught himself Econometrics at the library. All in all, whether it’s completely true or not, it’s an interesting take on how economic information is used in the modern world.

And finally, I recommend *The End of Poverty: Economic Possibilities for Our Time*, by Jeffrey Sachs, Director of The Earth Institute at Columbia University. Sachs helped author a report for the UN Millennium Development Project that outlined a plan to eliminate extreme poverty (defined as those living on less than one US dollar per day) by 2025. This book is an overview of that report sprinkled with doses of memoir from Sachs’ extensive economic consulting career. There are chapters on work he did in Bolivia, Poland, Russia, China, India and Africa. Sachs excels in his arguments for why he thinks the Millennium Project is possible. His chapters “Why We Should Do It” and “Our Generation’s Challenge” are inspiring chapters that make you realize a different world is possible.

Naked Economics: Undressing the Dismal Science, by Charles Wheelan, W. W. Norton & Company, 2003.

Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life, by Avinash K. Dixit and Barry J. Nalebuff, W. W. Norton & Company, 1993.

How to be Human : *Though an Economist*, by Deirdre Nansen McCloskey, University of Michigan Press, 2000.

Confession of an Economic Hitman, by John Perkins, Berrett-Koehler Publishers, 2004.

The End of Poverty: Economic Possibilities for Our Time, by Jeffrey Sachs, Penguin Press, 2005. ■

Studying at Ludwig-Maximilians University

By Sean Evers

After two months of studying at the top economics school in Germany, I've become quite comfortable here. Munich is a beautiful city with a lot to offer. Adjusting to their system is difficult at first, but once you become accustomed to it you really start to enjoy it. One of the main differences is the process in which you register for classes. Instead of choosing and signing up for classes before the semester begins, you have the opportunity to attend as many classes as you like. Once you have chosen the classes you would like to participate in, you simply have to sign up for the exam at the end of the semester. There are exceptions, including 'ubung' courses, which are similar to sections, that might require you to do a 'referat' or presentation. The other main difference in courses is that most of them are taught in German! For the final exam, however, many professors will allow you to respond to the questions in English. There are some courses taught in English at the undergraduate level, but the majority are Graduate courses. Beyond the normal preparations for studying abroad, I would recommend students to take additional mathematics and possibly statistics courses before arriving at the LMU. Their assumed level of students' mathematical knowledge is higher than at the UW.

There are the obvious things that I miss about home, such as friends and family. Aside from that I would say that I miss the grocery stores open 7 days a week! In Germany, all the grocery stores shut down on Sunday (and usually early on Saturday), so if you forget to do your shopping you'll be going out to eat! The housing situation here is pretty nice, I have a studio apartment in a large student housing complex. The room has a small kitchen and bathroom, and then the primary room with a bed, desk, and closet space. The room also comes with free Internet, which is a bonus!



City Hall in Munich

If you like to travel, there are some great advantages of living in Bayern. One is the Bayern-Ticket, which allows up to five passengers to ride on one ticket (24 Euro) anywhere in Bayern. The ticket is good from 10:00AM to 3:00AM the following morning. So if you want to make a day trip you can just grab a couple of friends and travel around for the day! The other advantage is the Schoenes Wochenende Ticket, which allows you to travel anywhere in Germany and parts of the Czech Republic and Poland. This ticket is only 30 Euro and up to five passengers can travel on it. Last weekend I bought the ticket and went to Plzen, Czech Republic for the day! There are also the discount airlines all over Europe, and if you keep your eyes open you can find some great deals. Next weekend I'm going to Siena, Italy. I found a round-trip ticket for only 50 Euro!

So far this has been an incredible experience and I would recommend it to anyone. The Erasmus ("European Community Action Scheme for the Mobility of University Students") coordinator for the economics department is extremely helpful and can answer any questions you may have before or after arrival. The courses are very interesting and taught by some amazing professors. It can be difficult at first to understand the lectures in German, but if you read ahead the challenge is easily overcome. If you have any

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Studying Abroad

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questions about the program, feel free to e-mail me and I'll inform you the best I can. Don't miss out on a great opportunity to live and study in Munich! ■

Sean will be in Munich through March. He can be contacted at spe2@u.washington.edu

Study Abroad Application Information

Students interested in Study Abroad opportunities should attend the information seminar about these exchanges to be held in early January. Students must apply directly to the department and the deadline for submitting application is January 31st. For additional information contact either Heather Clineschmidt at hcline@u.washington.edu or Michelle Turnovsky at mturn@u.washington.edu.

From Israeli Defense Force to Economics

By Nat Sahlstrom

The Economist attempts to interview a student periodically whose experiences and perspectives enrich the Department. UW student Ilan Fuss spent 5 years in Israel working on a kibbutz and serving in the Israeli Defense Force. I recently had the opportunity to sit down with Ilan and discuss his unique route to the University of Washington.

Nat: What led you to move to Israel after High School, as opposed to going directly to college?

Ilan: I had been to Israel several times and have a lot of family there. Israel is my home so it just felt natural to go.

Nat: What was life like in Israel?

Ilan: I lived on a Kibbutz and studied Hebrew. I served as the Kibbutz butcher and would chop up 800lbs of chicken a day; I can separate a chicken into eight separate pieces with my bare hands! The grossest thing I had to do was peeling the layer of skin off of cow tongues.



Ilan posing for the camera in army gear

Nat: So how did you end up in the IDF? What was daily life like?

Ilan: Israel has mandatory military service so it was just a matter of time until I was drafted. Before you begin basic training you go through a group of tests to ascertain where your skills and interests will be best utilized. During basic training you get up at 4AM and go for a run, shave, polish your boots and prepare for morning inspection. Then it's off to breakfast and then the firing range. Aside from basic training I had Machine Gun training. A soldier in the IDF already carries a lot of weight, but I was carrying even more, around 60 lbs. Every soldier goes through four months of basic training, then two months of infantry training. I had an extra six months of specialist training, which was interrupted by the Intifada that started in 2000.

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The Brief on Bernanke

By Josh Baxley

As you have no doubt heard, Ben Bernanke has been nominated by President Bush to replace Alan Greenspan as Chairman of the Federal Reserve when Greenspan retires on January 31, 2006. Well, what can be said about Mr. Bernanke?

Harvard and MIT educated, Ben Bernanke is well published and highly respected. He has served on the Board of Governors for three years, was previously chairman of the Department of Economics at Princeton, he is a fellow of the Econometric Society, and to top it off, has written three macroeconomic textbooks.

How is Bernanke different from Greenspan? For starters, he advocates inflation targeting more than Greenspan (see one of his papers below). Bernanke has been publicly vocal about wanting the Fed to pay more attention to price stability.

Bernanke is also recognized for his work on explaining the Great Depression. He has written a book on the

subject, a comparative study on different economic strategies. His conclusion? The spread of deflation and inflexible exchange rate policies contributed to the Great Depression. Sweden, for example, let their currency float and experienced a weaker depression. When applied to running the Fed, we can expect a hard stance on deflation.

A Fed Chairman must empower fiscal responsibility, have a keen understanding of the macroeconomy, and uphold Greenspan's magic touch. Ben Bernanke excels with the former, but only time will tell if he has the personality for the job.

For those still wondering, it's pronounced "ber-NAN-kee".

"Inflation Targeting: A New Framework for Monetary Policy?" Ben Bernanke, Frederick S. Mishkin, *The Journal of Economic Perspectives*, Vol. 11, No. 2. (Spring, 1997), pp. 97-116. ■

From Soldier to Student

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Nat: What were your combat missions like?

Ilan: We would perform two types of operations. Pinpoint operations with small groups of IDF personnel and large sweep operations like operation Defensive Shield. Pinpoint operations consisted of two or three units going out at night and apprehending known terrorists. Large operations, like the siege of Ramallah involved large amounts of IDF soldiers and could last for weeks.

Nat: After you left the military why did you choose UW as opposed to an Israeli school?

Ilan: Israeli Universities are very specialized. Once you choose your major you don't have much flexibility to study other topics as opposed to a liberal arts school like UW. The west coast is probably my favorite place (along with Israel) and I really liked Seattle so here I am.

Nat: Why did you choose Economics?

Ilan: I like the way economics quantifies social behavior like decision making. It's a major that allows me to study a variety of topics through an analytical lense. ■



Ilan Fuss