Business Economics Program Sessions

Wednesday, March 25, 2020

BUSINESS ECONOMICS

1:30 – 2:45 p.m. ………………………………………………………………….. Logan Room, 3rd Floor

Theme: Topics in Finance

Chair: Paul McGrath, Purdue University Northwest

Market Risks and the Cross Section of Expected Returns in Foreign Exchange Markets

Jinsuk Yang, University of Southern Indiana

Sung Myun Kang, University of Texas-Arlington

Sang Woo Heo, University of Southern Indiana

Jong C. Rhim, University of Southern Indiana

Abstract
The cross section of foreign exchange returns has substantial exposure to risk captured by international parity conditions as risk proxies: forward, CPI, and interest. Our study examines relations between individual countries' exchange rate risk premium (Ri-Rf) and market risk premium (Rm-Rf), volatility, skewness and kurtosis using risk proxy variables. We expect that the higher moments offer strong explanatory power for the cross-sectional expected returns from foreign exchange markets.

Optimising Number of Coupons

John G. Wilson, University of Western Ontario

Abstract
Surprisingly, given the wide use of coupons in the retail industry, very little research has been conducted on optimising the number and price of coupons. We will look at the current state of the literature. We show that there are there key indicators that can help a company decide whether or not to offer coupon books. Results are presented for various distributional assumptions on buyer behavior.

Mortgage Foreclosures in Indiana and the US: 1989 – 2015

Paolo Miranda, Purdue University Northwest

Paul McGrath, Purdue University Northwest

Abstract
The burst of the housing bubble in the United States and subsequent mortgage crises exposed weaknesses in the economy leading to the recent Great Recession. Indiana, particularly its northwest region, experienced a miserable few years as a result.

Using quarterly data collected by the Mortgage Bankers Association (MBA) for the period 1989 through the third quarter of 2015, we will examine the behavior of the flow of foreclosures and foreclosure inventories for Indiana relative to the U.S. This comparison is for all mortgages, as well as for specific product types (e.g., sub-prime, Federal Home Loan, Veterans Affairs). Historically, the rate of foreclosures started and foreclosure inventories has been slightly higher in Indiana than the U.S., as a whole. We will posit some reasons for this difference.

Indiana falls a bit behind the nation in many economic categories. Based upon 2014 data, Indiana ranked 38th amongst the states in terms of median income. The state's poverty rate was slightly above the national average while college graduation figures lag behind the national average. Population increase and the median value of homes are both below the national average. That said, Indiana's homeownership rate is significantly above the national average.

Interestingly, foreclosure rates began to rise in Indiana earlier than the U.S. as a whole, as can be seen in the Chart 1 below. In Chart 1 we illustrate the flow of mortgage foreclosures in Indiana and the U.S. for all types of mortgagees. The data available will allow us to examine categories of mortgages, such as sub-prime and FHA financed mortgages. The mortgage foreclosure rate for the U.S. surged at the end of 2006, but for Indiana the rate began to tick up almost 10 years earlier and surged in 2000. The same pattern is apparent when examining the behavior of the inventory of foreclosures in Chart 2, below. (i.e., working their way through the legal system).

The goal of the study will be to compare and contrast foreclosure rates for Indiana vs. the U.S. and posit some explanations should they be statistically different.

BUSINESS ECONOMICS

3:00 – 4:15 p.m. ……………………………………………………………………….. Logan Room, 3rd Floor

Theme: Topics in Industrial Organization

Chair: Derek Braun

Abstract
This paper aims to critically analyze two companies that operate in the Electronic Health Records (EHR) market. Both companies have competed with one another for decades, yet one has exceled into an industry leader, while the other has struggled to capture a market share that threatens the largest EHR providers. Each company will be reviewed both qualitatively and quantitively, using various valuation techniques, financial analysis and strategic examinations in an attempt to explain how Cerner has grown to be an EHR leader and what the outlook for the two company's futures will be. In addition to the empirical information presented, there will be a literature review that examines previous authors' works on related topic, theories and analyses used throughout this report. In the end, recommendations to both investors and creditors will be provided for each company.

Spread Love not Tears: Employee Attitude through Organizational Politics

Muhammad Fiaz, University of Engineering and Technology,

Amir Ikram, University of Engineering and Technology,

Ramiz Hussain, University of Engineering and Technology,

Asif Mahmood, University of Engineering and Technology,

Sadaf Anbreen, Mayo Hospital Lahore

Abstract
Politics in organization is debate-able notion and beyond doubt it is affirmative that, internal politics is communal problem of almost every organization. This study examined the impact of Organizational Politics (OP) on employee attitude in public sector universities of Lahore, Pakistan. A survey questionnaire of teachers was conducted through simple random sampling. This study tested the hypothesis that OP and employee attitude have negative relationship. The results depicted that there is negative relationship between three constructs of OP including general political behavior, go along to get ahead, pay and promotion policies with employee attitude. The researcher also has suggested some possible potential strategies for eradication of OP and to minimize the negative attitudes of employees.

Key Words: Organizational Politics; Employee attitude; Public sector universities

The Role of Supervisor Race and Gender on Promotion Likelihood

Sophie Tripp, Eckerd College

Yariv Fadlon, Muhlenberg College

Abstract
Using a nationally representative sample of workers from the National Longitudinal Survey of Youth 1997, we study the role of supervisor race and gender on employees' promotion likelihoods. We use an endogenous switching model to account for the selection issue of employees and supervisors self-selecting into employment with each other. We find both male and female employees have lower promotion likelihoods when they have a female supervisor compared with a male supervisor. We find black employees have a higher promotion likelihood with a white supervisor compared with a black supervisor. The results add to the growing literature on the role of supervisors on labor market outcomes.

Business Analysis Report: Cerner and Allscripts

Derek Braun, University of Sussex

Thursday, March 26, 2020

BUSINESS ECONOMICS

8:00 – 9:00 a.m. ……………………………………………………………………….. Logan Room, 3rd Floor

Theme: Economic Development and Research Methods

Chair: Joshua J. Lewer, Bradley University

Mapping the Inter-Relationships between Community Assets to Inform Local Economic Development

Matthew McPherson, Gonzaga University

Dan Friesner, North Dakota State University

Carl S. Bozman, Gonzaga University

Abstract
Community asset mapping is an evidence-based, collaborative activity commonly used in local community economic development initiatives. Asset mapping is exploratory, rather than confirmatory, in nature, and is typically conducted within the context of an interview or survey framework. Results are summarized qualitatively, rather than quantitatively, to allow residents more flexibility in identifying specific assets, the interconnections between community assets, and the perceived importance of those assets to the well-being of the community as a whole. The drawback to this approach is specificity. Without a greater understanding of the actual inter-relationships between these assets, once identified, it is difficult to determine whether such initiatives make optimal use of all community assets. To date, few studies have attempted to use data from community asset mapping activities to more deeply assess the linkages between residents' perceptions of the importance of these assets. The purpose of this study is to conduct an initial, exploratory study to address this issue. During the 2015-2016 academic year, Gonzaga University faculty undertook a community mapping initiative in the Logan neighborhood (within Spokane, WA), which immediately surrounds the University. A structured survey-based interview was conducted (using survey design and administration processes established in the literature) in which residents were asked to identify whether they agreed or disagreed that a set of previously identified community assets were important to the well-being of the community. This analysis applies cluster analysis to the data to group each of these assets into different clusters, or groups, based on residents' perceptions of the importance of each of these assets. In doing so, it is possible to gain a deeper understanding of how residents assess the importance of individual community assets, and also how those assets are linked in the minds of the community's residents.

Democracy, Transition and Public Health: Evidence from the Post-Communist World

Anastassia V. Obydenkova, Institut Barcelona d'Estudis Internacionals (IBEI, Barcelona); National Research University – Higher School of Economics; Institute for Economic Analysis (CSIC-IAE, Barcelona)

Zafar Nazarov, Purdue University Fort Wayne

Abstract
Democracy is generally associated with governmental accountability, better public policy choices and public health. However, there is limited evidence about how political regime transition impacts public health. We use two samples of the states around the world to trace the impact of regime transition on public health: the first sample comprises 29 post-communist states, along with 20 consolidated

democracies, for the period of 1970–2014; the second sample is a subsample of the same 29 post-communist states but only for the period of transition, 1990–2014. We find that the post-communist states experienced some decline in life expectancy in the first few years of transition (1990–1995). Yet, with a steady increase in the measure of democracy from 1995 onwards, life expectancy significantly improved and infant mortality decreased. Therefore, in the long run, democratization has had a positive impact on both the life expectancy and infant mortality of citizens of the post-communist states.

On the Dynamic Stability of the Information Entropy Measure in Survey Research

Dan Friesner, North Dakota State University

Carl S. Bozman, Gonzaga University

Matthew McPherson, Gonzaga University

Faith Valente, North Idaho College

Abstract

There is an extensive literature that frames and guides the development, assessment, implementation, and use of data collected through survey techniques. One emerging area of research is the development of tools to guide "survey iteration". Once developed and utilized, surveys are frequently adapted for use in other settings, or to elicit information from other populations. Unfortunately, small changes in the wording of survey items, adding new survey questions, altering response scales, or adapting the mode of a survey's administration (among other changes) may fundamentally impact the survey's validity and reliability. In such cases the researcher must re-assess the survey, which can be a time-consuming and resource intensive endeavor. A series of recent studies have used the concept of information entropy to screen for possible flaws in survey iteration. If a survey's properties change, then the information collected by the survey also must change. Alternatively, if pilot testing reveals no significant differences in the quantity of information across respondents, then the scale may retain its previous properties (validity and reliability) and the researcher can proceed with additional tests to verify the survey's properties. The value in using information entropy as an initial screening device is that information entropy is relatively simple to calculate and it places relatively few ad hoc assumptions on the process by which data are generated. Within the context of survey iteration, one unexplored application of information entropy relates to the dynamic stability of a survey, and the scales used in that survey, when a survey is used repeatedly over time. If the scale used to characterize consumer perceptions is valid and reliable, then holding other factors underlying the survey's design constant, respondents should provide the same quantity of information in each iteration of the survey. If this not the case, the researchers should re-evaluate the survey and its scale. The purpose of this manuscript is conduct an initial, exploratory study to address this issue. Data are drawn from a natural experiment associated with a large, amateur sporting event that is conducted on an annual basis. This analysis uses the 2006, 2013, and 2018 iterations of that survey. Khale's List of Values (LOV) scale is included in the survey without adaptation. We calculate information entropy measures for the LOV scale for each of these survey iterations. Parametric and nonparametric analysis of variance and regression analysis are used to assess whether the quantity of information for each of these scales exhibit statistically significant differences.

Alternative Measures of Economic Growth and Human Welfare

Joshua J. Lewer, Bradley University

Lisa Parrish, Bradley University

Abstract
Economic growth, defined as an increase in real per capita GDP, has really only occurred in the last two centuries. A common theme in development economics is that human welfare has not improved as much as the increases in per capita GDP since 1820. The purpose of this paper is to examine alternative measures of human welfare and to determine whether real per capita GDP underestimates or overestimates welfare growth. By applying multiplicative methods to alternative welfare measures like education and health outcomes, a more accurate index of the growth of human welfare is calculated. This paper also considers the impact of variety and the new age mass customization that per capita GDP estimates actually underestimate not overestimate the gain in human welfare overtime.

Keywords: Economic Growth, Human Welfare Measures, Time Series
JEL Codes: O11, O40, F43

BUSINESS ECONOMICS

9:15 – 10:30 a.m. ……………………………………………………………………….. Logan Room, 3rd Floor

Theme: Topics in Pedagogy

Chair: Jeff Cline, Purdue University Fort Wayne

The Ethical Decision of Business and its Students in a Developing Country, The State Of Kuwait

Luay Tahat, Gulf University for Science and Technology

Abstract
This paper examines the ethical judgment of business and Management Information Systems students including in a developing country, the state of Kuwait. It also examines whether differences in demographic and professional characteristics have any influence on attitudes towards business ethics. Furthermore, the paper compares between the subjects' ethical orientations and the orientation of their counterparts in the United States. The findings of the present study are based on a survey of gross 500 business students within three universities across Kuwait. The results reveal an overall mean of 2.65, indicating an above average concern about ethics. Further, no gender differences are revealed in terms of ethical judgment, while differences exist between sophomore and freshman students. Cultural differences are reported mainly with American students, concluding the influence of culture in explaining differences towards business ethics across countries. Implications for educators and business practitioners are included, while recommendations for future research are made based on the findings.

Keywords: Business Ethics, Education, Ethical Judgment, IT Ethics, Social Science

Integrating New Digital Economic Theories in College Education

Robert Kao, Park University

Abstract
Several new modern economic theories have been developed in the digital economy. Developments of a platform-based capitalism, a self-managed decision-making process, and a crowd-based equilibrium have been creating many economic and sociopolitical consequences. Many critical pedagogies have been suggested to integrate these new theories in teaching economics. How will the newly created productivity and income be distributed in the realm of capitalism? Will robotic automation and artificial intelligence (AI) surge unemployment and/or a major de-skilling of the workforce? Are emerging technologies inaugurating large gaps in social provisions and fiscal revenues? Will world economies be likely impacted differently by the diffusion of AI and robotics technologies? What will be the government's roles for navigating effective transitions into the digital world? Will the digital evolutionary economies reshape or benefit the societies and the balanced trades? Students will consider these questions in different scenarios of how to interact economics with other fields, i.e. sociology, engineering, technology, and regulations.

Learning outcomes for teaching the modern economics course should include major technological changes in the digital economy, the influence of AI and robotic automation in professional skills, the value that is driven by the digital economics of networks and participants, the natural tendency of the digital economy towards monopoly, the euphemisms of digital economics in productivity and income distribution, the welfares of the digital economy, and a hands-on experiment project.

Diverse pedagogies for teaching modern economics will be illustrated in a different learning environment. The assessment will be a mixed method of a five-point rating system and open-ended questions. The different categories can be evaluated the ability of students to relate to course assignments, effectiveness of supplemental materials, and the usefulness of the initial tutorial for students' learning. The aptitude of students to relate modern economic theories to course assignments can measure by how effectively of the teaching outcomes. The effectiveness of supplemental materials can be measured by the usefulness of additional course materials, i.e. journal articles and tutorials, for students.

Monte Carlo Method: From Statistical Analysis and Simulation to Student Evaluation

Homa Tajiani, Purdue Fort Wayne University

Hadi Alasti, Purdue Fort Wayne University

Abstract
The celebrated Monte Carlo method (MC) has been widely used for years in statistical analysis and statistical simulations in variety of application fields such as business, performance evaluation of technology products, computational algorithms in mathematics, computer science, etc. In academia, student evaluation approach is a critical measure that impacts the schools accreditation, student enrollment, faculty evaluation and is closely connected to the learning performance. This paper addresses a student evaluation approach that combines the students' learning throughout their endeavors during one semester. This approach simplifies the focus of the students in each activity, such as lab, assignment, project, etc. At the same time it addressed an approach based on MC that provides relatively accurate evaluation for the students' endeavors.

This paper introduces MC-based student evaluation along with the available tools and methods to use to simplify students' learning, accuracy of grading, saving the grader's time and enhances the instructors and the advisors' measure to guide the students in the next steps.

The Marriage of Business Education with Liberal Arts and Humanities

Ramin Cooper Maysami, California State University Los Angeles

William A. Cohen, California Institute of Advanced Management & California State University Los Angeles

Abstract
The development of MBA programs has followed a circular path. At its early inception, in 1881 at the Wharton School of the University of Pennsylvania, the goal of the Masters of Business Administration program was to develop leaders who could administer businesses masterfully—developing well-rounded managers for manufacturing firms required teaching individuals with strong technical and analytical skills the art and science of management. And it worked as intended for a while.

Starting the 1960s, however, MBA programs were criticized for lack of academic rigor, and by the early 1970s business schools had begun to raise admissions and teaching standards with an added emphasis on academic research. The '70s witnessed the creation of the classic American MBA model: first year core courses and second year of electives for specialization or deeper study. The MBA had metamorphized into a Master of Science in business administration, it seemed.

Peter Drucker, often known as one of the most influential figures in modern entrepreneurship education, subscribed to the philosophy that liberal arts and business education were necessarily inter-related, at the time the opposite was happening in MBA education: In the 1970s, Drucker taught his students: "Numbers are but one input to executive decision-making; a manager must make his decisions primarily with judgment, using one's gut." In 1990 he wrote: "Management is what tradition used to call a liberal art: "liberal" because it deals with the fundamentals of knowledge, self-knowledge, wisdom, and leadership; "art" because it deals with practice and application and results" (https://medium.com/swlh/the-most-ignored-advice-from-steve-jobs-and-how-it-can-be-your-secret-weapon-3995c51d54fc). The comments were interesting, and perhaps revolutionary, when business schools around the world had spent years seeking to prove that management was above all else a science. More and more they were stressing quantitative methods for decision-making. It was a revolutionary statement back then, and one which had resurfaced.

The 1990s, indeed, saw the reversal of the earlier criticisms: MBA programs were criticized for lack of relevance to modern business – too academic, too theoretical and divorced from real-life business practice. The century ended with denigration of MBA graduates as too analytical and quantitative while lacking needed managerial skills such as leadership and teamwork. By the end of the first decade of the new millennium, globalization, technology-driven disruption, emerging non-traditional competitors, data analytics and secular stagnation had begun to significantly impact key performance indicators of companies including revenue, market share and growth. This "new normal" forced yet further re-evaluation of MBA programs.

Synthesis of Rubin & Dierdorff (2009) and Costigan & Brink (2015) findings suggest that competencies which were overemphasized in MBA curricula but less emphasized in program learning goals tended to

focus on functional knowledge. On the other hand, competencies that were underemphasized in MBA curricula but more emphasized in learning goals tended to focus on soft skills (e.g., human capital) and cognitive abilities (e.g., decision making).

The move towards infusing liberal arts education into MBA program, indeed, has picked up speed.
The benefit of liberal arts education in successful business practices has been known to many success creators. At the launch of the iPad 2, for example, Steve Jobs shared what many people over the years have deemed the secret to Apple's success: "it is in Apple's DNA that technology alone is not enough—it's technology married with liberal arts, married with the humanities, that yields us the results that make our heart sing."
California Institution of Advanced Management (CiAM), a small private institution in the Los Angeles Greater area, offering a Drucker-influenced MBA curriculum, has developed a graduate business program with heavy emphasis on Management as a Liberal Art. This presentation discusses the integration of liberal arts principles into a traditional business curriculum, presents the challenges encountered in delivering a liberal arts-infused business education and the resulting benefits in augmenting the learning outcome of MBA students interested in administering businesses successfully.

Midterm Grades, Information, and Student Effort

Jeff Cline, Purdue University Fort Wayne

Abstract
Many institutions now give first-year students midterm grade reports to allow students to alter their behavior before the official end of course grades are entered onto their transcript. I use a regression discontinuity design to provide the first causal evidence on how students respond to information from their midterm grades. To do so, I merge institutional administrative data with information I collected on detailed intra-course grades for approximately six thousand economics and physics students. Consistent with the related literature, I find that lower course grades in economics and physics appear to discourage women and cause them to perform worse in the remainder of the semester. There is no similar effect among men.

BUSINESS ECONOMICS

10:45 a.m. – 12:00 p.m. ……………………………………………………………………….. Logan Room, 3rd Floor

Theme: Undergraduate Research Session

Chair: Jayme Gerring, Purdue University Fort Wayne

Homeownership and Housing Affordability in Northwest Indiana

Taylor Kroon, Purdue University Northwest

James Gross, Purdue University Northwest

Abstract
As the cost of housing increases over time and household earnings remain stagnant in Northwest Indiana, how realistic is owning a home for the low to middle income borrowers and first time homebuyers?

Especially for the young working class, saving up for a new home can feel like an endless slog. The upfront costs, such as the down payment, closing costs, property taxes, etc., are enough to scare off prospective buyers who are struggling to make ends meet.

According to housing data of the Bureau of Census, just over one-third of Americans under age 35 owned homes as of mid-2016. This is a 12% decrease from 2010. While homeownership rates fell across all age groups during that same period, none experienced a steeper drop-off than those under the age of 35. Since the Great Recession of 2008, interest rates have been very low and home prices were affordable. But home prices appreciation in the past five years and the recent increase in the mortgage rates has brought back housing affordability closer to record levels. According to a September 2018 report by the Urban Institute, the share of median income needed for the monthly payment with 20 percent down on a median home stood at 23.3 percent, up from 18 percent six years ago. If mortgage rates rise above 5 percent, this share would increase to the 2001-03 average of 24.4 percent. The mortgage affordability index with a 3.5 percent down payment shows even a higher share of income devoted to monthly payments but yields the same trend.

The overall goal of this study is to examine and analyze the housing market in Northwest Indiana. We define the region as the three most northwest counties – Lake, Porter, and La Porte. The region includes both urban areas and rural areas. We will detail the market conditions. Then, using the county level data we will examine the demographic and economic drivers of the housing market to identify the barriers to housing affordability.

The specific objectives to achieve the study goal are:

- Identify and examine the conditions, patterns, and the trends of the local housing market of Lake, Porter, and La Porte counties.
- Identify the needs and barriers for different types of housing, including homeownerships, rental housing, public and assisted housing.
- Identify and analyze the unique characteristics between rural and urban geographical areas contributing to housing needs, barriers, and affordability.
- Measure cost burden of housing and its impact on affordability.

BUSINESS ECONOMICS

1:30 – 2:45 p.m. ……………………………………………………………………….. Logan Room, 3rd Floor

Theme: Topics in Microeconomics

Chair: John Robert Stinespring, University of Tampa

Economics of the Climate Crisis

Thomas Sadler, Western Illinois University

Abstract
Climate change—a change in global or regional climate patterns attributed to a higher atmospheric concentration of greenhouse gases (GHG) from the burning of fossil fuels—constitutes the major global environmental challenge of this century. An increase in GHG—gases in the atmosphere that

absorb radiation within the thermal infrared range—are linked to higher average global temperatures. This paper uses the tools of economics to analyze the climate crisis. In particular, an integrated assessment model (IAM) combines economic and scientific aspects of the problem of climate change into a single framework. In response to the climate crisis, economists, natural scientists, and policy makers have focused on three potential strategies: geoengineering, carbon removal, and abatement. The paper finds that, by using the IAM framework, policies that focus on abatement serve as the most cost-effective options.

JEL: Q54, Q58, Q40, Q48

The Hot Hand Fallacy in Chess

Nodir Adilov, Purdue University Fort Wayne

Heather Tierney, Purdue University Fort Wayne

Tao Yu, Nagasaki Institute of Applied Science

Jayme Gerring, Purdue University Fort Wayne

Abstract
The paper studies the effect of winning performance streaks (the hot hand) and losing performance streaks (the cold hand) on future performance using data from competitive blitz chess tournaments. Contrary to some studies in competitive sports, the analysis supports neither the hot hand nor the cold hand hypothesis. Instead, a new effect is discovered, which this paper terms as the bounce back effect, i.e. an increase in performance following a loss.

Re-Thinking, Fast and Slow

John Robert Stinespring, University of Tampa

Abstract
Daniel Kahneman's book Thinking, Fast and Slow (2011) has had a worldwide impact. It has changed the thinking of both decision scientists and general audiences about how choices are made. The book details many deep and profound behavioral insights. Some of these, according to the author, overturn traditional economic theories of choice and the methodologies used to model them. One that receives particular criticism is utility theory and its graphical depiction with indifference curves. The theory is deemed inadequate because it 1) lacks "reference points" from which gains and losses can be measured, 2) does not predict loss aversion, and 3) assumes preferences are stable (amid supposed counter evidence). These alleged failures are what led Kahneman and Tversky (1979, 1991) to develop prospect theory and its graphical depiction with value functions. A close reading of Thinking, Fast and Slow, however, reveals fundamental oversights in these criticisms of indifference curve analysis. Not only does loss aversion arise naturally within an indifference curve framework for rational economic agents with stable preferences, but the very measurements of gains and losses rely directly upon reference points. Rather than overturning the insights of prospect theory, proper use of utility theory and indifference curve methodology reveals these behavioral insights and places them within the sturdier, longer-established

framework of neoclassical microeconomic theory. Clarifying the neoclassical and behavioral linkage that exists within Thinking, Fast and Slow will enhance the book's value to economists and prevent potential readers from throwing out the neoclassical baby with the behavioral bathwater.

BUSINESS ECONOMICS

1:30–2:45 p.m. BHAA ROOM NUMBER 2 (Dearborn 2, 7th Floor)

Theme: Joint Session with Business Economics - Public Health and Decision-Making

Chair: Libusa Radkova, St. Elisabeth University of Health and Social Work

Discussant: Dennis Emmett, Marshall University

The Integration of Children with Down Syndrome in Mainstream Schools: Parents' Experiences, Needs and Expectations in Slovakia

Libusa Radkova, St. Elisabeth University of Health and Social Work

Lucia Ludvigh Cintulova, St. Elisabeth University of Health and Social Work

Betty Toth, St. Elisabeth University of Health and Social Work

Abstract

Analysis of Factors Determining Maternal Attitudes Towards Childhood Vaccination

Lucia Ludvigh Cintulova, St. Elisabeth University of Health and Social Work

Libusa Radkova, St. Elisabeth University of Health and Social Work

Abstract

Vaccination versus Anti-Vaccination: Examination of Significant Controversy over Vaccinations of Newborns in the United States

Luciano Albanese, University of Evansville

Hannah Gourley, University of Evansville

Emma Boebinger, University of Evansville

Jami Nobbe, University of Evansville

Kanza Shamim, University of Evansville

Abstract

This paper offers a distinct perspective into the dispute between vaccinators and anti-vaccinators, (anti-vaxxers as they will be referred to throughout this paper) by exploring vaccinations through an evidence-based public health approach. Specifically, the analysis of the current health problem, etiology, recommendations for combating this issue, implementation, and evaluation of the effectiveness of the intervention will be addressed in this paper. In the recent decade, there has been a striking renewal of controversy surrounding the issue of parents deciding whether or not to vaccinate their infants. Before this new surge in anti-vaccination, several diseases such as smallpox, rinderpest, and measles were completely eradicated in the United States (Greenwood, 2014). This crisis has entailed infants and young children dying due to parents choosing not to vaccinate their children. 6.6 million children die each year, half of which could have been prevented if the child was vaccinated (World Health Organization, 2018). Throughout this paper, the measles disease will be illuminated due to its recent resurgence in society as newborns are not being vaccinated. Anti-vaxxers' beliefs are rooted in misinformation of side effects and for the belief that there is no need for vaccinations for diseases that have been 'eliminated.' This paper will recommend mandatory vaccinations for children to attend public schools funded by the government, education on vaccinations for new parents, and for more widespread educational advertisements to the general population. These recommendations hope to curb the recent outbreak of preventable diseases, such as measles, by issuing laws to protect children in public schools against children that are not vaccinated. Due to an overwhelming number of perspectives, government intervention is required to combat this issue.

Keywords: vaccinations, measles, newborns, anti-vaccination (anti-vaxx)

BUSINESS ECONOMICS

3:00 – 4:15 p.m. ………………………………………………………………………….. Logan Room, 3rd Floor

Theme: Re-Thinking the Teaching of Principles of Economics Courses

Mapping Foundations of Logical Analysis to Principles of Microeconomics Courses

Donald Hackney, Gonzaga University

Dan Friesner, North Dakota State University

Tim Schibik, University of Southern Indiana

Abstract

The economic education literature espouses the use of "critical thinking", yet, evidence suggests that students continue to display gaps in critical thinking. Moreover, few widespread changes have been made to teaching undergraduate economics courses to address this gap. This manuscript illustrates how to create a curriculum map linking foundational logical reasoning skills to a principles of micro-economics course. In doing so, the map identifies potential gaps in logical reasoning, and gives general direction to address those gaps. We find that principles of microeconomics courses require essential foundational logical reasoning skills that represent approximately half of a semester-long course on logical reasoning.

About one-fourth of the logical reasoning course content was not directly applicable to principles of microeconomic content, and the final 25 percent, would be helpful, but is not essential, in understanding microeconomic content at the principles level.

Panel: If You Could Change Anything about Principles of Economics, What Would It Be?

Moderator: Dan Friesner, North Dakota State University

Panelists:

Nodir Adilov, Purdue University Fort Wayne

Dan Friesner, North Dakota State University

Donald Hackney, Gonzaga University

Tim Schibik, University of Southern Indiana

Heather L.R. Tierney, Purdue University Fort Wayne

Friday, March 27, 2020

BUSINESS ECONOMICS

8:00 – 9:15 a.m. ……………………………………………………………………….. Logan Room, 3rd Floor

Theme: Time Series Topics II

Chair: Michael Slaubaugh, Purdue University, Fort Wayne

“Is Money Neutral?” and the Causal Relation between Economic Growth, Money Supply, Inflation: Evidence from Four South Asian Countries.

Abdus Samad, Utah Valley University

Abstract
This paper examines first the causality relationship between inflation, money supply, and economic growth of Pakistan, India, Bangladesh, and Sri Lanka, during 1970-2018 using the vector error correction (VEC) model and the Grander causality test. As required, before applying the VEC (Vector Error Correction), the paper applied, the Augmented-Dicky Fuller (ADF) test, the Philllip-Paron (PP) test, and Andrew-Zivot (Zvot). Results of these tests showed that all variables are non-stationary at level but stationary at first difference. Once the stationarity of series was determined, the Johansen Cointegration test was performed in determining whether series were cointegrated. Results test Johansen Cointegration shows all series: price, money, and GDP are cointegrated. Results of VEC show that the coefficients of the VEC term are (-0.27), (-0.39), and (-0.12) for Pakistan, Bangladesh, and Sri Lanka respectively suggesting that inflation is error correcting. The VEC Cointegration Estimate shows that money supply has negative and economic growth has positive long run impact on price level for all four countries. VEC Granger Causality/Block Exogeneity Wald Test show money is neutral in Pakistan, India and Bangladesh and non-neutral in Sri Lanka. The paper provides policy prescriptions.

Keywords: Inflation, Money, Economic growth, causality, VEC.
JEL Classification: E12, E13, E31, E40, E41

Divided: The Two Americas-Examining Club Convergence in the U.S.

María Candelaria Barrios González, Universidad de La Laguna

Heather L.R. Tierney, Purdue University, Fort Wayne

Zafar Nazarov, Purdue University, Fort Wayne

Myeong Hwan Kim, Purdue University, Fort Wayne

Abstract
This paper finds club convergence within the 50 U.S. states using Phillips and Sul's (2007, 2009) regression-based convergence test using per capita real state domestic product from 1997 to 2017. Two clubs with diverging transition paths are found. Clubs 1 and 2 mimics the divide that is seen in the flow of funds from the federal government to the states (DiNapoli 2017, 2018). Hence, the log t test of Phillips and Sul (2007) is telling the tale of there being two Americas if all factors remain the same, but this need not be the case with the proper policy prescription.

To Include or Not to Include….the Conditioning Observation in the Integrated Residual Squares Criterion (IRSC) Method

Heather L.R. Tierney, Purdue University, Fort Wayne

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Abstract
In nonparametric econometrics, the estimated coefficients are dependent on the window width, i.e. the band width. If there is only one window width, this leads us to OLS. Alternatively, if the window width is too small, this reduces the bias but increases the variance and vice versa.

When using data-driven approaches to select the window width such as the integrated residual squares criterion (IRSC) method of Fan and Gijbels (1995), asymptotic theory suggests not including the conditioning observation in determining the weights assigned to the any given observation since too much weight will be assigned to the conditioning observation. Proper weighting is important because observations closest to the conditioning observations are given a higher weight low weight to observations farther away.

Given the slow rate of asymptotic convergence, this paper examines the role that the conditioning observation plays in obtaining the window width through the use of simulated data and the modeling of inflation. In addition, this paper also examines the nonparametric window width provided by pre-packaged software such as EViews, which uses Andrews (1991) and Newey-West Methods of selecting the window width and compares them to other data driven approaches such as the IRSC method.

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Key Words: Nonparametric Methods, Inflation, Nonparametric Model Construction and Estimation

JEL Classification Codes: C14 , E31, C51

BUSINESS ECONOMICS

9:30 – 10:45 a.m. ……………………………………………………………………….. Logan Room, 3rd Floor

Theme: Time Series Topics II

Chair: Mohsen Bahmani-Oskooee, University of Wisconsin-Milwaukee

Predictability of Yield Curve Inversion and Moving Average Crossover

Matthew Maxwell Lutey, Indiana University Northwest

Abstract
We take the yield curve inversion and add it to a moving average crossover strategy. This combines past prices and technical timing with macro fundamentals to see whether we can forecast historic recession periods from 1967-2019. The main technical signal is the 21 day Moving Average (MA 21) below the 200 day moving average (MA 200) following yield curve inversion periods. The inversion periods are 1 month 60 month (1,60) 12 month 60 month (12,60) 24 month 60 month (24,60) and 1month 120 month (1,120) 12 month 120 month (12,120) and 24 month 120 month (24,120). Data is obtained from the Center for Research in Security Prices (CRSP). We find that applying the moving average timing (MA TIMING) strategy following yield curve (YC) inversion has promising results for exiting the market before recession periods. We miss several of the last major recessions including the 2008-2009 recession, thus generating positive excess returns. We validate our results using CAPM, Fama and French 3 and 5 Factors, and Kolmogorov Smirnov test for equality of distributions.

The Nonlinear ARDL Approach and Productivity Bias Hypothesis: Evidence from 68 Countries

Mohsen Bahmani-Oskooee, University of Wisconsin-Milwaukee

Ridha Nouira, EAS and FSEG Mahdia, Monastir University-Tunisia

Abstract
In this paper, we test the Productivity Bias Hypothesis for each of the 68 countries for which we were able to collect data. When we used traditional symmetric linear ARDL approach, we found support for the hypothesis in 16 countries in the long run. However, when we used the asymmetric nonlinear ARDL approach, we added 11 more countries to the list. Furthermore, the nonlinear approach supported the short-run asymmetric effects of productivity ratio in 47 countries that lasted into long run asymmetric effects in 29 countries in the sample.

Key Words: Productivity Bias Hypothesis, Nonlinear ARDL, Asymmetry, 68 Countries.

JEL Classification: F31, O40