

Economics Department Newsletter

January 30, 2013

Contents

Seminars and events

1. 4:00PM Monday February 4th, Griffin 6. Economics Job Candidate Seminar – [Brian Dillon](#), Cornell University. "[Risk and Resilience among Tanzanian Farmers: Estimation of a Dynamic, Stochastic Production Model using Elicited Subjective Probability Distributions.](#)"
2. 4:00PM Wednesday February 6th, Schapiro 129. Economics Job Candidate Seminar – [Penka Kovacheva](#), Princeton University. "[Transition, Wage Uncertainty, and Fertility: Evidence from Russia and Ukraine.](#)"
3. 4:00PM Thursday, February 7th, Schapiro 129. [Catherine Hausman](#), UC Berkeley. "[Corporate Incentives and Nuclear Safety.](#)"

On-campus job opportunities during spring semester

4. Prof. Jacobson Seeks Part-Time Research Assistant.

For prospective economics majors intending to study abroad

5. Meet with Prof. Nafziger before March 1st to get your study abroad petition approved.

Post-graduation job opportunities

6. Data analyst position at the Wharton School, University of Pennsylvania

Opportunities for graduate study

7. Fellowships in agricultural and resource economics at Colorado State University

About the newsletter

8. How to get items into the newsletter and how to unsubscribe.

Seminars and events

1. Economics Job Candidate Seminar -- Brian Dillon, Cornell University: "Risk and Resilience among Tanzanian Farmers: Estimation of a Dynamic, Stochastic Production Model using Elicited Subjective Probability Distributions."

At 4:00PM on Monday February 4th in Griffin 6, economics job candidate [Brian Dillon](#) of Cornell University will present his paper "[Risk and Resilience among Tanzanian Farmers: Estimation of a Dynamic, Stochastic Production Model using Elicited Subjective Probability Distributions.](#)" From the abstract: "Farmers producing crops in an atmosphere of substantial risk face a complex, stochastic control problem. This paper investigates the extent to which private information about plot-specific characteristics limits the effectiveness of policies intended to mitigate the risks facing agrarian households. We use a unique data set of Tanzanian cotton farmers, which includes regular within-season measures of the subjective probability distributions that farmers hold over end-season prices and output, to estimate a dynamic, stochastic production model. The subjective distributional data allow us to identify both a plot fixed effect and plot-specific shock distributions. We find that output on many plots is fundamentally constrained by poor quality, as measured by the fixed effect. However, conditional on plot quality, we show that farmers face less risk, and the production technology admits greater recovery from shocks, than indicated by a comparison model that we estimate without the subjective distributions. Simulations show that private farmer information can explain both the absence of markets for crop insurance, and the puzzling ineffectiveness of SMS-based price information services in recent trials."

2. Economics Job Candidate Seminar -- Penka Kovacheva, Princeton University: "Transition, Wage Uncertainty, and Fertility: Evidence from Russia and Ukraine."

At 4:00PM on Wednesday February 6th in Schapiro 129, economics job candidate [Penka Kovacheva](#) of Princeton University will present her paper "[Transition, Wage Uncertainty, and Fertility: Evidence from Russia and Ukraine.](#)" From the abstract: "This paper examines the cause of the unprecedented, and still unexplained, 40% decline in total fertility rates across the former Communist Bloc during the 1990s. Using individual-level panel data from Russia and Ukraine, I show that a substantial increase in wage uncertainty in the 1990s triggered the fertility decline, and that a moderate decline in wage uncertainty in the 2000s prompted a partial fertility recovery. I build a dynamic structural model of the joint decisions over fertility and job sector: private, state, and non-work. In the model, wage uncertainty affects fertility because children are illiquid assets. I estimate the key parameters of the model exploiting panel variation in wage uncertainty across job sectors, regions, and time. I construct a measure of wage uncertainty which is a function of the incidence of job dismissal, administrative unpaid leave, and wage arrears. Counterfactual exercises show that lowering wage uncertainty in the private sector to the

level of the state sector reduces the fertility gap between sectors by 51-57%. Lowering the levels of the 1990s uncertainty in both sectors to the levels of the late 2000s increases overall fertility by 26-30%. By contrast, I estimate much smaller effects from a traditional fertility stimulus in the form of more generous maternity benefits. These results suggest that in economies with poor labor law enforcement, targeting employment violations (such as wage arrears) can be part of effective fertility policies. More broadly, labor market uncertainty can impose significant negative externalities on irreversible investments such as children.”

3. Economics Job Candidate Seminar -- Catherine Hausman, UC Berkeley: “Corporate Incentives and Nuclear Safety.”

At 4:00PM on Thursday, February 7th, in Schapiro 129, economics job candidate [Catherine Hausman](#) of UC Berkeley will present her paper “[Corporate Incentives and Nuclear Safety](#).” From the abstract: “Beginning in the late 1990s, approximately half of all commercial U.S. nuclear power reactors were sold by price-regulated public utilities to independent power producers. At the time of the ownership transfers, some policy makers raised concerns that these profit-maximizing corporations would ignore safety. Others claimed that corporations would improve reactor management, with positive effects on safety. This paper provides the first comprehensive evidence of the effect of these ownership transfers on plant safety. Using data on a variety of safety measures and a difference-in-difference estimation strategy, I find no evidence that safety deteriorated; for some measures, it even improved following divestiture. Moreover, for given levels of generation, safety substantially improved. Ownership transfers led to increased operating efficiency, and these gains do not appear to have come at the cost of public safety. To provide intuition for these findings, I show how these results are consistent with the incentives faced by nuclear plant operators.”

On-campus job opportunities during spring semester

4. Prof. Jacobson Seeks Part-Time Research Assistant.

Professor Sarah Jacobson is looking to hire an undergraduate research assistant for 5-8 hours per week during some or all of the semester, to work primarily with data from experiments. The ideal candidate will have familiarity with Excel and Stata, strong library research skills, and will have completed (or be currently enrolled in) Economics 255, but all interested candidates will be considered. If interested, please email Prof. Jacobson (<mailto:saj2@williams.edu>) with your qualifications.

For prospective economics majors intending to study abroad

5. Meet with Prof. Nafziger by March 1st to get your study abroad petition approved

For sophomores intending to major in economics and hoping to study away next year, you must get your Peoplesoft study abroad petition approved by Professor Nafziger prior to March 1. This is in addition to the hard copy petition that you are responsible for completing and submitting to the Dean's office by that date. In order for Professor Nafziger to approve your petition, you need to meet with him to go over your study abroad plans and your plans for completing the economics major. If at all possible, this should be done in a face to face meeting in Professor Nafziger's office (Schapiro 335) during one of the following times:

Wednesday, Feb. 6, 2:30-4 pm
Monday, Feb. 11, 10 am - 1 pm
Wednesday, Feb. 13, 2:30-5 pm
Friday, Feb. 22, 9 am - noon
Monday, Feb. 25, noon - 2:30pm

Please bring materials relevant to your plans to these short (15 minute) meetings. If you cannot make one of these times, you may contact Professor Nafziger to set up another meeting. Alternatively, you may submit a detailed description of what economics courses you have taken, what you plan to do away (where and what classes), and how you plan to complete the major before you graduate via email to steven.nafziger@williams.edu before February 25. The email route will likely lead to some back and forth communications but it should suffice. Please consult Dean McKeown or sometime in the Dean's office if you have general study abroad questions, or email Professor Nafziger if you have specific inquiries regarding completing the major. He will try to get back to you quickly.

For answers to frequently asked questions about study abroad for economics majors, please go to: <http://econ.williams.edu/students/study-abroad>

Post-graduation job opportunities

6. Data analyst position at the Wharton School, University of Pennsylvania

The Zell/Lurie Real Estate Center at the Wharton School of Business at the University of Pennsylvania is hiring full time data analysts. From the job description: "This is an ideal position for a graduating senior who wants the opportunity to work closely with faculty at one of the world's premier business schools... We are looking for bright candidates that would like to spend 2-3 years in this position prior to applying to graduate or professional school in business, economics, real estate or the law. The position will involve supporting faculty in all aspects of their research, including collecting and maintaining

databases and analyzing these data using a variety of statistical tools. Candidates may also write research reports and interact with a high-powered group of financial and real estate executives who support the Zell/Lurie Real Estate Center. Some course work in economics is essential, but we will consider a wide variety of majors. Computer programming skills and previous research assistant experience would be helpful.” For more information, go to:

<http://web.williams.edu/williams-only/Economics/JobAds/January2013/WhartonRealEstateCenterDataAnalyst.pdf>

Opportunities for graduate study

7. Fellowships in agricultural and resource economics at Colorado State University

The Department of Agricultural and Resource Economics at Colorado State University will be funding five special Graduate Research Assistantship Fellowships for students interested in pursuing a Ph.D. in agricultural economics. For more information, go to: <http://web.williams.edu/williams-only/Economics/JobAds/January2013/ColoradoStateFellowshipInAgriculturalAndResourceEconomics.pdf>

About the newsletter

8. How to get items into the newsletter and how to unsubscribe

Please contact [Jon Bakija](#) with any news, events, or other information that you would like to send around to Economics and Political Economy faculty and majors, as well as anyone who has manifested an interest in the field by taking an economics class. If you would prefer not to receive the newsletter, please contact [Helen McShane](#) to unsubscribe.