Welcome to the 2013 edition of the Cal Poly Economics Newsletter. Once again, we are pleased with the positive response to last year’s newsletter and with the many personal updates that were sent to us by e-mail and handwritten notes. It is extremely gratifying to hear about the tremendous personal achievements many of you have made since leaving Cal Poly, and I hope more of you will take the time to drop us a note and let us know about some of the interesting and important experiences you have had since graduating. We hope this communication will help keep you connected to the Department, the College, and each other in our Cal Poly community.

This past year has been an exciting one for the economics department. In academic year 2012-13, we hired three new faculty members: (1) Katherine Eriksson, (2) Jon James, and (3) Carlos Flores. Assistant Professor Eriksson just received her Ph.D. in Economics from UCLA in 2013 and specializes in Labor Economics, Econometrics and Economic History. She received multiple job offers from top research programs in the U.S. and Australia, and we are very excited that she chose to come to Cal Poly. Assistant Professor James received his Ph.D. in Economics from Duke in 2011 and specializes in Labor Economics and Econometrics. He spent the last 2 years working for the Federal Reserve Bank of Cleveland. Associate Professor Carlos Flores received his Ph.D. from UC Berkeley in 2005 and specializes in Labor Economics and Econometrics. He spent the last 8 years of his career in the Economics Department at the University of Miami. We are extremely excited to add these new faculty members to the department, as they provide considerable experience working with big datasets, which will be the key focus of our MS in Economics program.

This year, we are finally launching our MS in Economics program. We have tailored the program intensively towards data analytics and have developed a curriculum focusing on developing the econometric skills necessary to make data-driven business decisions. The skills of our new faculty are highly complementary with existing faculty in developing a first-rate graduate program in economics, and we intend to admit our first class into the MS in Economics program in August, 2014. Keep an eye on the
MS in Economics program at Cal Poly: We expect incredibly good things from our faculty and students as we launch the program next year!

On the undergraduate front, interest in economics at Cal Poly continues to grow. In fall 2013, we will admit our largest, most ethnically diverse, and most academically-talented freshman class in the history of the department! In total, we received 810 applications for the economics program (629 Freshman applications and 181 transfer applications) and admitted only 66 students to the economics program in 2013 (53 entering freshmen and 13 transfer students). We are truly one of the most selective economics departments in the country! Combined with the students returning to the economics major next year, the size of our major is now roughly 265 students (nearly a 20 student increase from 2012-13). The relatively large entering class of economics majors in 2013-14 will pose some challenges in providing course offerings, but the increased interest in economics—and the increased quality of our applicants—is an extremely welcome trend.

The economics faculty continues to be successful in obtaining research grants and publishing in high-quality journals. We maintain an extremely active research faculty, which benefits students, and our commitment to high-quality, interactive undergraduate teaching methods remains a focal point of our undergraduate (and soon-to-be graduate!) program in economics.

As always, we encourage you to stop by and see us whenever you are in San Luis Obispo. Our Cal Poly community is every bit as nice as you remember! In addition, please let us know something about yourself that you would like to share with former economics majors and the Department, and we will make sure and include your updates in a future newsletter.

For up-to-date information on the Department, its staff, course offerings, and activities, check our website at http://www.cob.calpoly.edu/econ. Your comments, questions, and personal items are welcome at any time. Please send them by ordinary mail or e-mail me (shamilto@calpoly.edu) or Sheila Smith at smsmith@calpoly.edu. We hope that you have an outstanding and productive remainder of 2013 and that success will continue to find you and your loved ones in 2014.

Best regards,

Stephen F. Hamilton
Professor

ECON Society Attends ASSA Conference
(By Chris Candreva, President of Cal Poly’s Economics Society)

On the first weekend of January, 2013, six students from Cal Poly’s Economics Society attended the Allied Social Sciences Association’s (ASSA) annual conference in San Diego. One group amongst the ASSA is the American Economic Association (AEA) whose presentations at the event prompted us to go. With talks starting Friday morning at 8 A.M. and going until Sunday at noon, we decided that it would be best to arrive Thursday night. Our group stayed at a hotel five blocks up from the conference, generously paid for by the Economics Department at Cal Poly.

We split up into smaller groups to attend the various talks that interested our members. Topics ranged from Brand Level Economics, to Issues Facing the Fed, to the Economics of Higher Education. I feel like I speak for all who attended when I say that the ASSA conference was a great experience, and I am glad I was able to attend as an undergraduate. In addition, I would like to thank Dr. Steve Hamilton and the Cal Poly Economics Department for making this trip possible for our club.
The Economics Department is pleased to announce the introduction of a Master of Science in Economics degree program. We are accepting applications this year and will offer classes starting in fall 2014. The focus of the program is on data analysis and quantitative methods in economics. At this early stage for our program, we are especially interested in reaching out to potential employers to develop a network to help match qualified students completing our program with jobs. We encourage our alumni to work with us to make this happen.

Why introduce a new Masters program? We believe that the growth of computers in our society has introduced the need for a new kind of economist, one who is comfortable working with large datasets and has strong math, statistics, and computer programming skills. With this in mind, we are headed in a new and innovative direction for an M.S. in Economics degree. In addition to a core in micro- and macroeconomics, students will take a sequence of five classes in statistics, econometrics, and computational methods to prepare them to handle all kinds of data analysis with confidence. Students will learn to use the latest software packages for analyzing data as well as develop computer programming skills to assist in this task. Electives will apply these econometric skills to important topics in economics like labor economics and industrial organization. These electives will be project-based, allowing students to gain experience identifying an interesting question, collecting and analyzing data, and completing a technical write-up. Upon completion of the degree, students will have a solid foundation in economic theory and will be well prepared for jobs in the private or public sector involving data analysis or other quantitative methods. Although not its primary intent, the program could also be useful for those intending to enter a Ph.D. program but who wish to improve their quantitative skills before applying.

This year, the Economics Department welcomes three new faculty members hired with this program in mind. All of our new hires are strong applied econometricians who will complement our other faculty nicely. Our goal is to offer the best M.S. degree in Economics in California, attracting top students, training them well, and helping companies throughout California and beyond find highly skilled workers. The details of the program are available through the Economics Department website. Please contact Professor Aric Shafran at ashafran@calpoly.edu with any questions regarding the program.
Welcome to "Alum Focus," part of our ongoing effort to keep the Cal Poly connection alive between the campus and our alums. In this issue, we are showcasing Angus Cannon (ECON ‘09), one of our outstanding ECON alums.

“I’d like to take this opportunity to thank the Cal Poly Economics Department for making my time at Cal Poly truly enjoyable and rewarding. I am indebted to Professors Hamilton, Marlow, and Shafran for the lessons, support, and guidance they provided me as a student, and continue to provide today.” Angus Cannon – Class of 2009

At Cal Poly, Angus Cannon studied economics and concentrated in financial management. He chose economics because it is a gateway to career paths in business, politics, and law. Angus wanted to pursue a career in one of these fields and knew the skills learned as an economics student would be applicable no matter which path he chose.

As a student, Angus lived a well-balanced life, supplementing his studies with intramural sports and weekend barbeques, among other activities. During the school year, he enjoyed going to classes and talking to professors at office hours. In the summer, Angus either worked odd jobs at home in Monterey or attended summer classes at Cal Poly. For extracurricular activities, he served on the Library Student Advisory Committee for the renovation of the Robert E. Kennedy Library, and was a founding member of the Cal Poly Economics Society during his senior year; he even proposed the name and designed the club's logo. Angus graduated with honors in June 2009.

Originally Angus planned to pursue a career in finance. However, the financial crisis of 2008 dampened job prospects, and he elected to attend law school instead. He studied for and took the LSAT (Law School Aptitude Test) in the months after graduating from Cal Poly. Thereafter, Angus applied to different law schools, ultimately choosing Santa Clara University School of Law.

Throughout law school, Angus’ background in economics provided him with a unique perspective and enabled him to approach legal problems creatively. He has built upon his background in economics by specializing in transactional law and related litigation. Angus’ legal coursework focuses extensively on contracts, commercial transactions, tax, negotiations, and employment related matters. Outside of the classroom, Angus was a finalist in the Galloway Moot Court Competition, an associate on the Santa Clara
Law Review, and the Vice President of the Law and Business Club. He worked as a legal intern at a land use law firm in Salinas (Lombardo & Gilles, LLP), a student counselor for indigent clients in San Jose (the Katherine and George Alexander Community Law Clinic), and as a law clerk at a trusts and estates law firm in Redwood City (Aaron, Riechert, Carpol & Riffle, APC). Angus also served as Chief Legal Counsel for his friend’s start-up company, wolfhelmet.com. He graduated from Santa Clara in May 2013.

Angus recently took the July 2013 California Bar Exam. While awaiting the exam’s results, he plans to travel across the country with friends, become a certified NFL Player Agent, and search for a job as either an attorney, a sports agent, or a political lobbyist. Angus is always on the lookout for entrepreneurial opportunities as well. His advice to current students is to enjoy their time in San Luis Obispo, live a well-balanced life, and take advantage of office hours.

If any current students or alumni would like to contact Angus Cannon, please do not hesitate to email him at anguscannon@gmail.com.

Faculty Publications

For more information about the economics faculty and their publications, please go to our website.

Meet the New Faculty

**Dr. Katherine Eriksson** is an applied micro-economist with interests in economic history, labor economics, and development economics. Her current work explores immigration to the US in the early 20th century, as well as education and criminal behavior in the US South in the same time period. She has research published in the *American Economic Review* and *Journal of Development Economics*.

At Cal Poly, Dr. Eriksson teaches Econometrics and Poverty, Discrimination, and Immigration. Dr. Eriksson joined the Cal Poly Economics faculty in 2013. She received her Bachelors in Mathematics from Virginia Tech, and PhD in Economics from UCLA in 2013.
Dr. Carlos Flores’ main fields are econometrics and labor economics. His research focuses on the development and application of new econometric methods for program evaluation and causal inference to assess the effects of policies, programs, and interventions. His current research concentrates on two broad areas. The first is the study of econometric methods to evaluate multiple, multi-valued, and continuous interventions or treatments. The second is the analysis of estimation problems in which it is necessary to adjust for a variable that has been affected by the treatment of interest. In his applied work, he has analyzed several aspects of Job Corps, the largest federally-funded job training program for disadvantaged youth in U.S., including (i) its effect on participants’ future wages; (ii) the effect of the length of exposure to academic and vocational instruction in Job Corps on future earnings; (iii) the mechanisms or channels through which Job Corps works; in particular, what part of its effect on earnings is due to the attainment of a high school or vocational degree, and what part is due to other channels (e.g., counseling and health services). Dr. Flores has also applied new econometric methods in other areas, such as education (e.g., to analyze the effect of attaining an academic degree on labor market outcomes), health (e.g., to analyze the effect of smoking during pregnancy on birth outcomes), and environmental economics (e.g., to analyze the relationship between economic growth and pollution). His work has been published in journals such as the *Review of Economics and Statistics*, *Journal of Business and Economic Statistics*, *Journal of Human Resources*, *American Economic Review (Papers and Proceedings)*, and *Econometric Reviews*. Some of his work has been funded by the National Science Foundation.

Dr. Flores has taught several courses both at the graduate and undergraduate levels, including *Probability and Statistics for Econometrics* (graduate), *Applied Microeconometrics* (graduate), *Principles of Microeconomics* (undergraduate), and *Mathematical Methods for Economists* (graduate and undergraduate). He has also served in several Ph.D. dissertation committees, including some for which he was the main advisor.

Dr. Flores joined the Cal Poly faculty in 2013 after eight years at the University of Miami. He received his Ph.D. in Economics and M.A. in Statistics from UC Berkeley. He is originally from Veracruz, Mexico. When he is not working, he loves to spend time with his wife (who was also his childhood friend and first love) and his two kids (who are adorable—most of the time).

Jonathan James is an empirical microeconomist who specializes in labor economics and applied econometrics. His current research studies the determinants of early career wage growth and the impact of workers' choices on their labor market outcomes. Jonathan joins the economics faculty after spending two years as a research economist at the Federal Reserve Bank of Cleveland. He grew up in southern California and earned his BA from UCLA in 2003 and received his PhD from Duke University in 2011. Jonathan will be teaching Principles of Microeconomics as well as Labor Economics this fall.
**Alumni Notes**

**Class of 2011**

After graduation, **Patrick Holder** started work on his Ph.D. in economics at UC Santa Barbara in August of 2011. Out of his 16-person cohort, he was the only student to receive a ‘Ph.D. Pass with Distinction’ on the microeconomics preliminary exam.

This past year Patrick was a teaching assistant for the Masters Microeconomics sequence and for a senior-level natural resource class. Recently, he received the economics department teaching assistant-of-the-year award for his performance in those classes.

Patrick’s research interests are at the intersection of environmental economics and experimental economics. He was invited to the first Rady Spring School in Behavioral Economics at UC San Diego, where he attended in March. Patrick is currently spending some time in Africa.

**Class of 2009**

**Steve Lynds** currently works for Frontier Airlines in Denver, Colorado, as a reliability analyst. He looks at aircraft components to help determine trends within failure rates, as well as costs/benefits of upgrading to the newest components; plus, he helps to run the Chronic Aircraft Report which details problems with parts within the fleet. Steve also enjoys snowboarding, camping, bee keeping, and continues to refine his photography with his wedding photography business. You can view his work at [www.stevelyndsphotography.com](http://www.stevelyndsphotography.com)

**Class of 2006**

**Tom Alderman** graduated with a double major in economics and business administration, with a concentration in finance. He also had minors in statistics and psychology and was named the 2006 outstanding graduate in economics.

Alderman was also a four-year starter on the Cal Poly Men's Lacrosse Team and founded and served as president of the Economics Students’ Society; plus, he also served on the executive board of the Financial Management Association.

While at Cal Poly, Tom had internships with Knight Trading and Citigroup during his freshman, sophomore, and junior years, working on the Pacific Options Exchange in San Francisco as a market-making analyst in derivative securities for healthcare and technology listings. He joined Citigroup full-time in 2006 but left to pursue an investment banking career at Piper Jaffray & Company as an analyst for their flagship healthcare investment banking team focused on Silicon Valley medical technology and biopharmaceutical companies. He was promoted to associate in 2008, but he left when he received an offer to join the technology investment banking group at Credit Suisse in 2010. Tom is currently a vice president of the firm and focuses on client coverage in the global semiconductor industry, working out of their San Francisco office. He is responsible for the company’s mobile device, capital equipment and integrated circuits clients globally, advising and leading transaction execution for IPOs, follow-on equity financings, debt offerings, joint ventures, strategic partnerships, and mergers and acquisitions.
Class of 1979

Rik Floyd addressed graduates at Cal Poly’s Spring 2013 Commencement exercises on behalf of the Alumni Association.

Economics Office & Faculty

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Lecturers:
Clare Battista, Solina Lindahl, and Alden Shiers

Calendar
Sept. 17-22 – Week of Welcome (WOW) – Begins on a Tuesday
Nov. 16 – Homecoming Football Game - Spanos Stadium – 12:30 P.M. vs. Eastern Washington
Dec. 14 – Mid-Year Commencement; End of Fall Term

When giving to Cal Poly, please consider designating your gift to the Economics Department of the Orfalea College of Business