Business Economics Program Sessions

Wednesday, March 23, 2022

BUSINESS ECONOMICS

1:30 t 2:45 p.m. Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y X Floor } P v Z } } u U ï

Theme: Economic Impact of COVID 19 and the Cares Act

Chair: Timothy S. Vaughan, University of Wisconsin t Eau Claire

COVID19 Economic Impact of Stimulus Payments A Tale of Two Stories

Anthony Narsing, Middle Georgia State University
Greg George, Middle Georgia State University
Summer Beattie Moore, Middle Georgia State University

Abstract

In the United States, the Coronavirus pandemic has not only created a public health crisis, but it has also created an economic crisis as well. The U.S. government enacted legislation that provided citizens with much needed relief in the form of three economic impact payments, termed ^ • š] u µ ‰ µ Ç u v š • _ X Although legislation provided some relief to American citizens and residents to pay bills, car repairs, food, pay down debt, and other necessities, it was not sustainable for some families who were affected the most during the pandemic. This paper examined issues surrounding the distribution of economic impact payments. The authors argued that these collective payment streams further complicated supply chains and contributed to increased inflation driving up both the cost of goods and services. This chain of events only served to further constrict the welfare of American families who are desperately trying to survive during these difficult times.

The Impact of the Cares Act on Local Labor Markets

Anthony Narsing, Middle Georgia State University
Greg George, Middle Georgia State University

Abstract

In response to the onset of the Covid19 Pandemic in March, 2020, congress passed the CARES Act, which provided emergency economic relief to American families and businesses through various programs such as the Payroll Protection Program (PPP; Title I, Sec. 1102) and the Pandemic Unemployment Assistance Program (PUA; Title II, Sec. 2102). In particular, the PUA program provided direct money to states to supplement state une8 0000912 0 612 792 re W* n BT /F2 11.04 Tf 1 0 0 1 151.94 79nTeF2 1 n Bby

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Timothy S. Vaughan, University of Wisconsin Eau Claire

enrollment data on ISTEP 10 and graduation rates. The second set focused on estimating the impact of semesters since a student earned credit for Microeconomics and knowledge retention. While performance decreased as the number of semesters increased, the effect appeared to be mitigated by a higher ACT. These initial results imply there are some interesting possibilities to enhance overall four-year performance with curricular interventions more targeted to specific students. The results are presented alongside a pretest/posttest from within a semester of a Principles of Microeconomics course and alongside similar models for Macroeconomics knowledge.

Thursday, March 24, 2022

BUSINESS ECONOMICS

8:00 to 9:00 X u X Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y X X > } P v Z}}u U ï Œ

Theme: Topics in Fiscal Policy

Chair: Thomas R. Sadler, Western Illinois University

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Kathy Paulson Gjerde, Butler University
Peter Prescott, Butler University

Abstract
This study employs a state-level model of recovery and a comprehensive set of tax- and expenditure- Œ o š À Œ] o • š} Æ ‰o}Œ šZ policy decisions had on •š š •[(]• o their recoveries after the Great Recession in the United States. In addition, we combine those findings with our resistance results from two earlier studies to identify the structural and fiscal policy factors that consistently strengthened •š š •[}v}u] Œ •]o] v entering, during, and exiting that recession. Although our analysis indicates that resistance and recovery are distinctly different economic resilience phenomena, states that avoided sales and corporate income taxes, and that committed a greater share of their resources to public welfare and public safety expenditures, fared better than others. This knowledge may aid state P}À Œvu vš•[(]• o ‰}o] Ç]•]}v u l]vP • šZ Ç ‰Œ ‰ Œ (}Œ (µšµ shocks.

v }v}u] À oµ š]}v }(šZ µŒ}‰ v hv]}v[• îìïì o]u š W}o] Ç W o v

Thomas R. Sadler, Western Illinois University

Abstract
dZ µŒ}‰ v hv]}v[• ^&]š (}Œ ññ_ ‰o vU vv}µv]v îìîí • ‰ Œš }(to meet a 2030 goal of reducing carbon emissions by 55 percent from 1990 levels. This plan is part of the h[• }À Œ oo P} o }(o]u š v µšŒ o]šÇ -neutral continent-wide proposal. (]Œ•š o Because the environmental policies in the proposal intend to internalize the marginal external cost of the carbon externality, an evaluation framework in this paper addresses the EU policies, including the carbon

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finds that the revenue neutral carbon border tax and emissions trading system with auctioned allowances satisfies the most evaluation criteria.

BUSINESS ECONOMICS

9:15 t 10:30 a.m. Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y X rd Floor >}P v Z}}uU ï

Theme: Undergraduate Research Session

Chair: Viet Tran, Purdue University Fort Wayne

Public Policy Analysis of Superfund Sites in Northwest Indiana Region
Farida Akhmadullina, Purdue University Northwest
Wendy Marie Wells, Purdue University Northwest
Jack Mansmith, Purdue University Northwest
Jacob

rate by approximately 0.30 percent. An increase in the AQI by about one standard deviation decreases a schooo [• /^d W ‰ •• Œ š Ç }µš í X ì ì ‰ Œ v š X t Z] o š Z } À Œ o o] u ‰ and weaken the case for the use of standardized tests. My findings can be extrapolated to other types of standardized tests, including college entrance exams, and show that these tests are not as unbiased as they claim to be.

Economic Impact of the Poke-Bache Trail

Nodir Adilov, Purdue University Fort Wayne
Nikolas Albertson, Purdue University Fort Wayne
David Bresnahan, Purdue University Fort Wayne
Heather L.R. Tierney, Purdue University Fort Wayne
Viet Tran, Purdue University Fort Wayne

Abstract

The aim of this study is to provide a regionally focused economic impact study of the Pokagon-Ouabache Connector (PBC) trail in Indiana. The trail starts in Pokagon State Park in Angola and ends at Ouabache State Park in Bluffton. Over half of the trail has been completed to date. The study estimates the annual spending on various goods and services by day-trippers and by overnight visitors. Furthermore, this study measures the impact of the PBC on property values as part of the economic impact on the local community. The study uses the data from various sources including the survey data, sensor cameras data, visitor and website data from the city of Fort Wayne, and property tax data. The analysis of economic impact values is presented for the four counties directly affected by the trail (Allen, DeKalb, Steuben, and Wells) as well as for the region as a whole.

BUSINESS ECONOMICS

10:45 a.m. – 12:00 p.m. Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y X 3rd Floor } P v Z } } u U ï

Theme: Topics in Microeconomics

Chair: Valerica Vlad, Penn State Behrend

Do Consumer Bankruptcies Exhibit Seasonality?

Donald Hackney, Gonzaga University
Dan Friesner, North Dakota State University
Heather L.R. Tierney, Purdue University Fort Wayne

Abstract

A standard tenet of empirical economics is that household consumption patterns fluctuate over the course of the calendar year, a concept known as seasonality in consumer behavior. Some of the causes and consequences of seasonal consumption patterns are driven by habitual or cultural considerations. Others are driven by seasonal weather patterns, which cause changes in consumption through seasonal variation in consumer incomes. At the level of the individual market or product, the source of the seasonality may be equally clear (i.e., the consumption of fresh fruits and vegetables) or challenging (i.e., seasonality of cigarette sales, where peak smoking occurs in the summer months) to explain. In the latter cases, identifying the latent causes of seasonal consumption are a primary objective of empirical consumer behavior. One important, but under-appreciated social insurance program is the consumer

bankruptcy process. Households who unable to meet their financial obligations may apply for protection under the U.S. Bankruptcy Code, and in doing so may reorganize their finances (often discharging outstanding debts) and re-establish themselves finically. Concomitantly, bankruptcy is a social insurance program with a high cost, since creditors whose debt holdings are discharged through the bankruptcy process pass along those losses to other parts of society in the form of higher prices and/or interest rates. This raises an important policy question: if seasonality exists in the consumption of economically vulnerable households who exist on thin financial margins, and if bankruptcy is a viable means for households to reestablish themselves financially, do consumer bankruptcy filings also exhibit seasonal variations? To date this question remains unresolved in the literature. Like public health and nutrition initiatives, a better understanding of seasonal variations in bankruptcy filings (should they exist) may inform policy initiatives designed to ensure efficient and appropriate use of the bankruptcy process. The purpose of this paper is to empirically investigate whether consumer bankruptcy filings exhibit statistically significant seasonal variations. As an exploratory analysis, this study adopts a null hypothesis of no mean/median variations in the number of consumer bankruptcy filings, and the total dollar value of debts per filing, over time. The null hypothesis is analyzed using a random sample of data drawn from the U.S. v l Œ µ ‰ š Ç } µ Œ š [• • š Œ v] • š Œ] š } (t • Z] v P š } v [• W µ (PACER) • • š } database during the 2003, 2005, 2009, 2009, 2011, 2014, 2016, and 2020 calendar years. We find statistically significant seasonal trends in both the number of filings, and in the dollar value of total debts per filing, by month.

Do Non-Financial Characteristics Impact Financial Statement Comparability?

Dan Friesner, North Dakota State University
Andrew Brajcich, Gonzaga University

Abstract
&] v v] o • š š u v š } u ‰ Œ] o] š Ç] • } (š v ( ] v • š Z ^ P Œ } (•] made by firms operating in similar industries (Do, Finance Research Letters, 40, 2021, Article 1016932021). Greater financial statement comparability allows for relative assessments between the firm and its peers, which provides both more, and higher quality, financial information to external stakeholders (Qingyuan and Lumeng, China Journal of Accounting Studies, 2018, 6 (4), 473-348). This not only benefits external stakeholders who are evaluating the firm, but also the firm itself, since greater comparability enhances š Z ( ] Œ u [•] o] š Ç š } • µ Œ • • š } Œ] š v ‹ µ] š Ç] v À • š u v š • X methodologies that can be used to assess financial statement comparability cannot be applied within the context of firms with a not-for-profit tax status (De Franco, Kothari, and Verdi, Journal of Accounting Research, 2011, 49 (4), 895-931). Recently, Brajcich and Friesner (Journal of Theoretical Accounting, 2022, forthcoming) posited a third approach to assessing financial statement comparability. Their approach combines information entropy theory with simple spreadsheet modelling to assess the comparability of firms. The primary attributes of this methodology are i) its methodological simplicity; and ii) its ability to incorporate information from all entries of one or more accounting statements. The latter feature is especially beneficial because it facilitates estimates of financial statement comparability for not-for-profit organizations. The primary drawbacks of the Brajcich and Friesner (2022) methodology are also twofold. First, the authors claim that their methodology can accommodate both financial statement and non-financial indicators } (} u ‰ Œ] o] š Ç X ^ } v U Œ i] Z v & Œ] • v Œ [• ~ î ì î î • u an explicit statistical foundation, nor does it facilitate hypothesis testing. This goal of this manuscript is twofold. First, we demonstrate how non-financial informatio

financial information. Second, we develop a simple and robust means to test null hypotheses about financial statement comparability within the Brajcich and Friesner (2022) framework. Consistent with Brajcich and Fr •v Œ[• }Œ]P]v o •šµ ÇU ÁZ] Z]u š} À o}‰ u •µŒ • comparability for not-for-profit organizations, we operationalize our study using data drawn from primary care, outpatient clinics in the State of California for the calendar year 2020. We find that comparability

The Vector Error Correction Cointegration Estimate shows that money supply has negative and economic growth has positive long run impact on price level for all four countries.

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impact on price level in the short run.

Results of VEC Granger Causality/Block Exogeneity Wald Test, in Table 5, showed that money supply (M1) Granger caused price level (CPI) for India and Bangladesh. The unidirectional relation running from money supply to price level suggests money is neutral in India and Bangladesh. Both money supply (M1) and economic growth (GDP) have impact on price level.

India is only country that shows bidirectional causality between money and price level.

For Sri Lanka, money Granger causes GDP. This unidirectional Granger causality running from M1 to GDP (economic growth) suggesting that money is not neutral in Sri Lanka. GDP had no impact on money and price.

For Pakistan, there is a bidirectional Granger causality between GDP and CPI. Money has no impact on economic growth nor economic growth have impact on money

Both VEC Residual serial correlation LM test and VEC Residual Heteroskedasty show that there are no serial correlation and no heteroskedasticity in the regression results for all four countries. High chi square value cannot reject the null hypothesis of no serio correlation and heteroskedasticity

Ichimoku Forecasting Technique in U.S., France, Germany Japan, U.K.

Matt Lutey, Indiana University Northwest
Dave Rayome, Marquette University

Abstract
Equity premium has been studied in various forms and is a major part of modern asset pricing. Historic articles have shown promising results for both macro fundamentals and technical indicators. Indicators such as the moving average and momentum have been used along with on balance volume. We introduce a new technical indicator, the Ichimoku Cloud for forecasting risk premia and provide initial extensive testing of it in the U.S. We extend the sample to include foreign markets such as France, Japan, Germany and the U.K. and compare it to the performance of the moving average, momentum and on balance volume in these markets. We find that the Ichimoku Cloud performs better than the already known technical indicators in the U.S. and the known indicators including both moving average and momentum extend well to be successful in all of the foreign markets. We do not have enough volume data to find meaningful results in the foreign markets but would expect it to work well when more data is available. Volume follows a similar theme to the moving average and momentum on a low number of observations. Overall the Ichimoku Cloud has stronger R2, stronger t-statistics and is robust to a variety of specifications that are default to the standard parameters outlined in print literature and practice. The default parameters are 9, 26, and 52 which relate to the number of days in two Japanese trading weeks (9), the number of days in a Japanese trading month (26), and two Japanese trading months (52).

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3:00 t ð W í ñ ‰ X u X Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y rd Floor Y X X > } P v Z } } u U

Theme: Topics in Public Policy

Chair: Robert Kao, Park University

Female Leadership, Democratization, and Firm Innovation: Social Inequalities and Gender Issues in Post-Communist Economies:

Adrita Iman, Purdue University Fort Wayne
Zafar Nazarov, Purdue University Fort Wayne
Anastassia Obydenkova, Uppsalla University

U.S. Urban-Rural Income Differences: A 2019 State-Level Study

Mark Jelavich, Baker University

Abstract
In the US rural (non-MSA) areas have lagged behind urban areas both in terms of per capita personal incomes (PCPI) and poverty rates. This study examines how 2019 state-level ratios of urban to rural PCPI varies with state-level urbanization rates, poverty rates and unemployment rates. The income ratio increases with both urbanization and poverty rates. Some policy implications are drawn, especially for ^ lÁ •Z_ Œ •X

Benefits of Applying LG Tax Simplification Method for Federal Government, Businesses, and Individuals

Robert Kao, Park University
John Lee, Rigel Technology Corporation

Abstract
Taxpayers and companies prefer a simplified and efficient federal tax system to the current complex one. This paper measures benefits and values by comparing the existing Federal tax calculation system to the proposed linear and gradual (LG) tax simplification for withholding tax, income tax, tax return, analysis, projection, fiscal note, tax evasion, tax fraud, and tax reform. The proposed tax simplification method could help simplify the Federal tax system by matching and reducing the existing seven to three tax brackets and improving the existing overburdened 121-page of the Withholding Tables and 224 formulas. Most taxpayers with standard deductions and tax credits may benefit from tax returns by using the proposed tax simplification method to increase efficiency and reduce the related administrative costs of the federal tax bureau. The research estimates several benefits and calculates cost saving amounts by applying the proposed LG tax simplification method, which can streamline the federal government taxation process. Additionally, the proposed method can also benefit businesses and individuals by lowering administrative costs and reducing the tax processing time.

Friday, March 25, 2022

BUSINESS ECONOMICS

8:00 t õ W í ñ X u X Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y Y X X > } P v Z } } u U ï

Theme: Risks in Microeconomic Issues

Chair: John R. Stinespring, University of Tampa

Measuring the rate of technological change in the satellite launch industry

Nodir Adilov, Purdue University Fort Wayne
Nikolas Albertson, Purdue University Fort Wayne
Peter J. Alexander, Federal Communications Commission
Brendan M. Cunningham, Eastern Connecticut State University

Abstract
As the satellite launch costs have decreased in the last two decades, the number of commercial satellites has increased exponentially. By analyzing the changes in satellite launch costs, we find that the average per-satellite launch cost to low-Earth orbit fell at a faster rate than the average per-kg launch cost since 2000. We also find that the average launch cost for commercial satellites decreased at a faster rate than the average launch cost for non-commercial satellites. We saro1 (m)-3.804 0 the s.ro1 (m7445 11..906>)Tj 0.149

Classroom Activities from Interdisciplinary Collaborations between Math and Economics

Stella Koutroumanes Hofrenning, Augsburg University

Abstract

Economics uses mathematics as a tool to understand economic concepts and to apply those concepts to real world problems. However, students often fail to see the connections between mathematics and economics and rarely do faculty from mathematics and economics engage in meaningful conversations about how the subject is taught. A National Consortium for Synergistic Undergraduate Mathematics via Multi-Institutional Interdisciplinary Teaching Partnerships (SUMMIT-P), a project funded by the National Science Foundation (NSF), is an effort to engage in interdisciplinary collaborations within and across institutions to improve the teaching of mathematics courses. The goal of these collaborations is to build stronger support for partner disciplines and to encourage critical thinking skills in all fields. Research has shown that undergraduate students benefit from seeing examples of mathematics applied to real-world