Economics student reps win volunteering award

The School of Economics Student Representatives have won a Kent Student Certificate of Volunteering (KSCV) by earning the greatest number of KSCV Awards of any School in the University. Awards are earned for hours volunteered and each award is worth a number of points. Points for each group were totalled over the Autumn and Spring terms and our reps emerged as the overall winners in the student rep category.

The reps were presented with an array of prizes, which included the chance to design and name menu items at some of Kent’s many catering outlets: a burger at Woody’s, a cocktail at The Venue and a hot drink at the Library Café, plus they got to share the profits from their new products.

Student reps are elected by the student body and volunteer their time to represent their fellow students – often this involves passing on feedback to the School and raising issues relating to their courses. They attend the Student-Staff Liaison Committee, which acts as a forum to discuss issues raised by students and for the School to communicate its response to feedback. It also gives Economics staff the opportunity to hear student reaction to any proposed teaching or learning initiatives.

This year, our reps have also given their time to meet with applicants and their parents at our UCAS applicant days. We have had some great feedback from our visitors and are very grateful to the reps for all their help.

Many congratulations on behalf of the School to all our reps and thank you for all your hard work and dedication this year.

www.kentunion.co.uk/volunteer-resources/reward-and-recognition/takeover/
The 10th edition of Professor Tony Thirlwall's textbook, *Economics of Development: Theory and Empirics*, now co-authored with Dr Penélope Pacheco-López, is published this month by the Palgrave-Macmillan Press. The first edition of the book, which was entitled *Growth and Development: with Special Reference to Developing Countries*, was published in 1972 based on Tony’s lectures to undergraduate and graduate students. It is used widely across the world, particularly in India, and there are Greek and Chinese translations of previous editions.

The 10th edition has an important new chapter on Human Capital: education; the role of women in the development process, nutrition and health. The chapter on Development and the Environment, originally written by John Peirson, has been substantially revised by Iain Fraser.

The book is available to purchase from Palgrave: [https://he.palgrave.com/page/detail/economics-of-development-ap-thirlwall/?sf1=barcode&st1=9781137577940](https://he.palgrave.com/page/detail/economics-of-development-ap-thirlwall/?sf1=barcode&st1=9781137577940)

Plus there’s a companion website that provides teaching and learning resources and further information about the authors. [https://he.palgrave.com/companion/Thirlwall-Economics-Of-Development-10e/](https://he.palgrave.com/companion/Thirlwall-Economics-Of-Development-10e/)

“Economics of Development is by far the best undergraduate textbook in development economics (…) an essential reference for students and scholars alike.”

Kunal Sen
University of Manchester

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**Female relative wages, household specialisation and fertility**

Falling fertility rates have often been linked to rising female wages. However, over the last 40 years the US total fertility rate has been rather stable while female wages have continued to grow. Over the same period, women’s hours spent on housework have declined, but men’s have increased.

This is the abstract from a paper by Dr Christian Siegel that was published in the *Review of Economics Dynamics* in March 2017.

Christian proposes a model in which households are not perfectly specialised, but both men and women contribute to home production. As the gender wage gap narrows, the time allocations of men and women converge, and while fertility falls at first, the decline stops when female wages are close to those of males.

Rising relative wages increase women’s labour supply and due to higher opportunity cost lower fertility at first, but they also lead to a reallocation of home production and child care from women to men, and a marketisation.

He finds that both are important in understanding why fertility did not decline further. In a further quantitative exercise he shows that the model performs well in matching fertility over the entire 20th century, including the overall decline, the baby boom, and the recent stabilisation.

Read the full paper here: [https://doi.org/10.1016/j.red.2017.01.010](https://doi.org/10.1016/j.red.2017.01.010)
Choosy consumers drive a near 1000% spike in vanilla price

‘If you had been a canny investor back in 2008, you could have done a lot worse than make a substantial bet on up-market ice cream futures. The price of vanilla beans has rocketed from as little as US$25 per kilo eight years ago up to US$240 at the end of 2016. Some forecasts predict it will reach as much as US$450 per kilo by the middle of 2017. Even by the standards of volatile prices in agricultural commodities such as rice and grains this is exceptional.

Unlike other price increases that were short-lived and the result of policy decisions, the price of vanilla beans is being driven by something else. In short, it is all down to us, the fickle consumer and our love of authentic cones, custard and crème brûlée…’

This is an excerpt from an article by the School’s Professor Iain Fraser, published in *The Conversation* on 27 February 2017.

Read the full article here: https://theconversation.com/choosy-consumers-drive-a-near-1-000-spike-in-vanilla-prices-72780

Another article, entitled ‘The Bittersweet Story of Vanilla’ and published on 3 April in *Smithsonian.com*, made reference to Professor Fraser and the piece in *The Conversation*. www.smithsonianmag.com/science-nature/bittersweet-story-vanilla-180962757/

Research

The economic impacts of pests and diseases

Good biosecurity policy decisions, particularly in relation to plant industry protection, are of ever-increasing importance. Growth in the speed and diversity of trade, the effects of climate change and the resultant spread of pests and diseases continue to highlight this.

A new book entitled *Plant Biosecurity Policy Evaluation: The Economic Impacts of Pests and Diseases* has been authored by the School’s Emeritus Professor Rob Fraser together with David Cook (University of Western Australia) and Andrew Wilby (University of Lancaster).

The book contains an introduction to the issues confronting plant biosecurity policymakers and how the economic risks of invasive species can be assessed over time.

It describes both probability models that show what might happen if species ‘invade’ a region and values models that help decide what management actions should be taken.

As the first book of its kind focusing on a comprehensive range of policies, case studies and applications, *Plant Biosecurity Policy Evaluation* is perfect for biosecurity policymakers, decision-support specialists, advanced students of agricultural studies, public policy and invasive species research.

The book is available to purchase from World Scientific: www.worldscientific.com/worldscibooks/10.1142/q0064

www.kent.ac.uk/economics

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Swing in Bangladesh’s new child marriage law

‘According to UNICEF, Bangladesh has the highest rate of marriage in the world among girls under 15, and it is ranked eighth in terms of marriage under the age of 18. The country is suffering from a child bride 'epidemic' in which one in three girls is married below the age of 18. By contrast, a much smaller proportion of girls in Pakistan marry young, although the 2016 World Economic Forum report ranked Pakistan second to last in the world for gender inequality.’

A report on Bangladesh’s new child marriage law, by the School’s Dr Zaki Wahhaj and Dr M Niaz Asadullah (University of Malaya) was published in The Conversation on 8 March 2017.

Zaki’s research has also been highlighted in Ideas for India in an article on ‘Cash transfers to end child marriage: The Indian experience’ on 10 April and in Project Syndicate on 1 May in an article entitled ‘Mending Bangladesh’s garment industry’.


Agricultural insurance for rural farmers

In addition to Zaki’s work on child marriage, he and Dr Harounan Kaziangwa (Oklahoma State University) have initiated a research project on ‘Enhancing access to weather index agricultural insurance in Burkina Faso’ in partnership with Innovations for Poverty Action.

Rural households in developing countries are often heavily dependent on rainfall for farming purposes and the lack of rain can lead to crop failure and loss of income. Yet, for a variety of reasons, farmers are reluctant to purchase insurance products that insure against adverse rainfall shocks. The aim of this project is to investigate one potential solution to this problem that relies on making use of links between urban migrants and their relatives in rural areas for the purpose of marketing insurance.

The research project is being financed by the International Initiative for Impact Evaluation with an initial grant of US$75,000.

How cybercriminals could demand better ransoms

‘You’ve infected a computer, locked it down and demanded a ransom. Congratulations, you’re a cybercriminal. The bad news is that you’re doing a terrible job of maximizing profits.

Ransomware was an estimated $1 billion-per-

year industry as of 2016, but new research from computing and economics academics at the University of Kent shows that the ‘unsophisticated’ techniques of ransomware criminals could easily be refined and could lead to dramatic increases in profits at relatively little cost.”

This is an excerpt from an article published in Cyberscoop on research by Kent’s School of Computing and Dr Edward Cartwright and Dr Anna Stepanova of the School of Economics.

Lost in the storm

‘As 80mph winds swept across the Caribbean and the southern US, Hurricane Isaac left 41 people dead and caused $2.4 billion (£1.9 billion) of damage. The cost to the academic field of political science is less well known.

However, a new study by the School’s Dr Fernanda Leite Lopez de Leon, Dr Raquel Campos and Dr Ben McQuillin (UEA) indicates that the destructive tropical cyclone led to 76 academic papers, that would otherwise have been written, never seeing the light of day.’

This is an excerpt from an article in Times Higher

Education by Ellie Bothwell. You can read the full piece here: www.timeshighereducation.com/news/lost-storm-how-hurricane-blew-through-political-science

The paper was presented at the Royal Economic Society’s Annual Conference on 10 April.

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This is an excerpt from an article in Times Higher
Macroeconomics, Growth and History Centre events

The Macroeconomics, Growth and History Centre (MaGHiC) has hosted a number of events and visitors this term.

On 16 March, it held the fourth MaGHiC PhD workshop, which allowed student members to receive direct feedback from faculty members in a conference setting. Those from faculty members in the UK and Europe who use empirical microeconomic either theoretical or empirical microeconomic techniques within the area of development economics.

The workshop comprised a series of presentations relating to this very active area of research, followed by an informal reception. More details can be found on his webpage: www.gwif.vwl.uni-kiel.de/en/team/research-team/prof.-dr.-thomas-lux

Further details, including the accompanying papers (where available) can be viewed here: www.kent.ac.uk/economics/research/MaGHiC/events/workshop-apr17.html

As well as presenting at the workshop, we were pleased that Professor Thomas Lux (Kiel) stayed on at the School for a little longer as a Thirlwall Visiting Research Fellow. Professor Lux’s research interests involve the modelling of the dynamics of financial markets, contagion in interbank and bank-firm networks and of estimation/validation of agent-based models.

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More details can be found on his webpage: www.gwif.vwl.uni-kiel.de/en/team/research-team/prof.-dr.-thomas-lux

Other visitors this term have included:
- Professor Ricardo Reis (LSE) in January. He gave a lecture on ‘Optimal Automatic Stabilizers’;
- Dr Cristiano Cantore (University of Surrey) visited in February and gave a seminar on ‘The Profit Share, the Labour Share, and Monetary Policy Shocks’;
- Dr Laura Puzzo (Monash University, Australia) also visited in February and gave a seminar on ‘Volatility of Industrial Output, Demand Fluctuations, and International Trade’ (with Adina Ardelean and Miguel Leon-Ledesma).

In April, Professor Leo Kaas (Konstanz University) gave a seminar on ‘Firm Dynamics with Frictional Product and Labor Markets’.

Future events


Microeconomics Research Group events

The School will be hosting a workshop on the Microeconomic Approach to Development Economics on 21-22 June 2017.

Participants will include two senior and accomplished researchers in the development field:
- Professor Debraj Ray (New York University, Co-editor of the American Economic Review) and Professor Karl Ove Moene, Head of ESOP (a Norwegian centre of excellence), University of Oslo.

Other participants will include active junior researchers based in the UK and Europe who use either theoretical or empirical microeconomic

The keynote speech of the workshop will be delivered by Professor Costas Meghir (Yale University).

The School invites submissions for the workshop with a deadline of 1 June 2017. Please send your paper as an email attachment to Andrey Launov (A.Launov@kent.ac.uk).
Alumni Networking Evening

The School ran its third annual Alumni Networking Evening on Tuesday 14 March at the Marlowe Theatre in Canterbury.

The event was well attended by our current undergraduate and postgraduate students, who had the opportunity to meet some recent Kent Economics alumni to discuss work and life after university.

We would like to say a huge thank you to our alumni for giving up their time to attend; Ashley Diggins from the Cabinet Office, Luke Bewley from Certua, James Warren from NIESR, Alex Waters from Capital Generation Partners, Daniel Owusu Acheampong from the Department for International Development, Damilola Adewuyi from EY, Nuno Nunes from HSBC, Cormac Shine from the Department of Work and Pensions and Iria Camba Florez who is currently studying at LSE.

If any alumni are interested in taking part in similar events, please email econemploy@kent.ac.uk

Finalists’ dinner

The School held its third finalists’ dinner at the Abode Hotel in Canterbury on the last day of the Spring term, Friday 6 April. The dinner marked the end of teaching for final year students.

We had a fantastic evening celebrating with our finalists and would like to wish them the very best of luck in the forthcoming exams.

This year’s graduation ceremony for Economics students will be held on Monday 10 July 2017 in Canterbury Cathedral and will be followed by a reception 4–6pm in the Cathedral Lodge.
Economics PhD student to join World Bank

Economics PhD student, Sashana Whyte, has been selected to join the Young Professionals Program of the World Bank from September this year. Since its inception in 1963, the World Bank’s Young Professionals Program has recruited over 1,700 people from nearly 120 countries, who now range from new recruits to senior management in the World Bank Group. The program was established and is still in place to attract outstanding, highly qualified, diverse, experienced and motivated younger individuals who have demonstrated a commitment to international development, supported by academic success, professional achievement and potential for leadership. The Program recruits through a highly selective and competitive process and then facilitates the rapid integration of the newly recruited Young Professionals into the World Bank Group’s business and culture.

Sashana was selected for one of 40 positions from 4,000 applicants. This is a considerable achievement on her part and she deserves our warmest congratulations and very best wishes for her future career.

Miguel joins the Money, Macro and Finance Group

Professor Miguel Leon-Ledesma has been invited to join the steering committee of the UK’s Money Macro and Finance Research Group (MMF). The MMF is a study group which exists to promote and disseminate economic research in these fields of study, primarily in the UK. It was the first of the study groups to be funded by the Social Science Research Council.

Further information on the group can be found on its website: www.mmf.ac.uk

National Student Survey

A huge thank you to everyone who took part in this year’s National Student Survey (NSS). We really appreciate your time as it gives us some fantastic feedback, which allows us to continue to improve the student experience we offer.

As an incentive to complete the survey, the School ran a competition to win an iPad – our congratulations go to final-year student, Gracie Greenfield, whose name was drawn at the Finalists’ Dinner at the beginning of April. Here she is with her prize in Keynes Courtyard.

Staff/student news

Goodbye

We were very sorry to say goodbye to Keisuke (Casey) Otsu who left us at the end of March to take up a new post at Keio University, Faculty of Business and Commerce in Tokyo. We would like to thank him for everything he did for the School and wish him all the very best in his new role.

PhD success

Congratulations and good luck for the future to Hamna Ahmed, who passed her PhD viva voce this term.
For further news about the School of Economics, our staff and their research interests, see: www.kent.ac.uk/economics/

Facebook: SchoolOfEconomicsAtTheUniversityOfKent

Twitter: @EconUniKent