

RICHMOND ASSOCIATION FOR BUSINESS ECONOMICS

RABE

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RABE, the local chapter of NABE, is a 501c3 organization dedicated to economic education.

January 2007

"ECONOMIC ISSUES" LUNCHEON

Mark M. Zandi

Chief Economist and Cofounder, Moody's Economy.com

WHEN: Wednesday, February 7, 2007, **12:30 – 2:00pm**

WHERE: **SunTrust Bank**, downtown Richmond (Cary St. and 9th), 24th floor

COST: \$15 for RABE members, \$25 for guests, \$10 for full-time students.



"Mortgage Credit Quality Fault Line"

Mortgage credit quality is fast eroding. Delinquencies are now higher than they were in the 2001 recession and rising rapidly throughout much of the country. What is behind this deterioration in quality, and how much worse will it get? How serious will the fallout be on the broader economy?

Mark Zandi is Chief Economist and co-founder of Moody's Economy.com, Inc., where he directs the company's research and consulting activities. Moody's Economy.com is an independent subsidiary of the Moody's Corporation and provides economic research and consulting services to businesses, governments and other institutions.

Mark's research interests include macroeconomic, financial, and regional economics. Recent areas of research include house price modeling, studying the determinants of mortgage delinquency and foreclosure, and an analysis of the economic impact of various tax and government spending policies. In addition, Mark conducts regular briefings on the economy. He is frequently quoted in national and global news outlets.

Zandi received his PhD at the University of Pennsylvania, where he did his research with Nobel Laureate Lawrence Klein and Gerard Adams, and he received his BS from the Wharton School at the University of Pennsylvania.

RABE is grateful to the Virginia Asian Chamber of Commerce for co-sponsorship of this event.

LUNCHEON DETAILS

RESERVATIONS: Reservations are required! **The deadline is Monday, February 5 at noon.** We ask that everyone please register online at our website, www.RABEva.org. Simply go to the website and click the "Register" link that appears with speaker's photo and information. You may also e-mail your reservation to Adam Haller at adam.haller@rich.frb.org.

PAYMENT: Use your credit card at www.RABEva.org. Members may pay in advance or at the door using on-line, check or cash. Non-members are requested to always pay in advance. Advance payments may be sent by check in postal mail or using the on-line system. All advance payments should be received by RABE at least 2 business days before the meeting.

PARKING: Parking is available in the RMA parking deck nearby. See our site for details.

MEMBER NEWS

CONGRATULATIONS TO YOU!

My Lan Tran, RABE 3rd Vice President, was nominated Business Committee Chair Person of "Colaborando Juntos" (CJ), an network of 200 Richmond service providers working to create business, economic, and social empowerment of the Latino community in the Greater Metro area. The mission of the Committee is to develop a plan for increasing public awareness of entrepreneurship development issues faced by the Hispanic business community in Central Virginia. "Colaborando Juntos" means "working together".

Submit news to Jackie Hudson, immediate-past-president, at jackie.hudson@vec.virginia.gov.

MEMBERSHIP REMINDER

Annual dues are due!

Remember to **pay before February 1 to receive a \$10** discount off of the regular annual dues of \$35. As a member, in addition to the benefit of receiving all programming, educational, and networking opportunities available from RABE, you receive a discount on all events and invitations to occasional "members only" activities.

THE PRESIDENT'S CORNER

Dear RABE members,

Happy New Year! RABE kicked the year off with a bang, holding the first luncheon of the year on January 10 with Dr. Alan Beckenstein from Darden School of Business at the University of Virginia. We are gracious for the hospitality provided by the Omni hotel and our co-sponsors, CFA Virginia.

Why the change of locations? We chose the Omni in collaboration with CFA Virginia for their ability to accommodate the large crowd. Utilizing the SunTrust building for our next meeting will offer us the chance to try yet another location, keeping our events interesting and giving us the chance to see more of the community. Future events are already being planned at home base, the "Fed".

For 2007, **I have a few goals** that I see for RABE, and I want to hear from you, the members, on ways that RABE can provide more value to you. In 2007, I will attempt to attend the NABE conference again, and would like to see another RABE member join me. Attendance at recent events has been strong. Let's keep it up to show respect for the speakers, and exceed our averages. In 2006, we had 7 events. Let's have at least that many or more. My most important objective is to engage the membership more. Sure we have excellent programming. Did you also know that RABE has committees and volunteer opportunities for all members? I will be reaching out to more people asking you to get involved. Please find the time to volunteer. For example, RABE could use someone's help taking the initiative on planning for a long discussed scholarship program in economics. This is just a possibility. Step forward with an idea, and together we will see if it can be done.

Thank you again for making RABE a strong and active organization. We are strong and active due to the effort invested by volunteers. ■

Yours truly,

Adam

Adam J. Haller, CFA
President, RABE

UPCOMING EVENTS

Dr. Ed Hill

Immediate Past-President
American Medical Association
"The Economics of Health Care"
April 10, 2007, noon
Location: FRB Richmond

Other NABE events:

Kevin McCabe, George Mason University
"The Next New Thing? Neuroeconomics"
National Economists Club
January 25, 2007
Washington, DC

The 23rd Annual Washington Economic Policy
Conference, "An Economic Framework
for Effective Policymaking"
March 12-13, 2007
Washington, DC

"Using Economic Statistics to Understand
Business Cycles"
NABE Professional Development Seminar
April 22-24, 2007
San Diego Marriott LaJolla

See www.NABE.com for details.

DID YOU KNOW?

Economics in Jamestown, 1607

John Smith traded Venetian glass "Blew beads" for corn with Powhatan, who considered the beads to be worthy of the greatest kings in the world. Furthermore, Powhatan was enamored with just about anything made of copper, which he traded for bread, turkey and venison, provisions in high demand by the settlers.

Ownership of land – a foundation of our view of economics, was up for debate in 1607. Native Americans lived a communal life where no one owned the land itself, but Europeans believed firmly in private land ownership. They staked out their parcels with hedges, fences, and other structures, which they called "improvements", a term still used today.

Source: www.jamestownjourney.com

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