

RICHMOND ASSOCIATION FOR BUSINESS ECONOMICS

RABE

PO Box 2382
RICHMOND, VA 23218

rabe@RABEva.org
www.RABEva.org

RABE is a 501(c)3 non-profit organization dedicated to economic education. We are the Greater Richmond Region's chapter of the National Association for Business Economics (NABE).

July 2008

"Economic Issues" Luncheon



TOPIC: Experimental Economics: Testing Markets and Economic Theory- A Hands-On Experience

WHEN: Tuesday, August 19, 2008, 12:00 – 2:30 pm

WHERE: VCU-School of Business-Snead Hall-301 West Main Street, Richmond, VA 23284

COST: We will have catered, boxed lunches for this event. When you register online, you may choose your type of lunch. **\$10 for RABE members, \$15 for guests, and \$10 for full-time students**

The VCU School of Business and Department of Economics are hosting RABE's August 19 "economic issues" luncheon. We will be meeting at Snead Hall, the new School of Business building. In addition to lunch, we will have a brief presentation by the Dean, a quick tour of the building, and a hands-on demonstration of experimental economics.

Experimental economics involves computer simulations to test economic theories and to test new market mechanisms. Typically, college students (or any participants) are paid to attend these sessions and earn additional money based on their performance during the experiment. These payments create salient incentives similar to those assumed by theorists. Examining the behavior of participants facing these incentives under carefully controlled conditions helps researchers better understand why markets and other exchange systems work the way they do.

We will begin our August 19 meeting with lunch and a brief presentation by the Dean of the VCU School of Business. The discussion will cover benefits of the new building, and will share plans for the future of the School of Business.

After lunch, we will take a walking tour Snead Hall, to see the latest setups for classrooms, computer labs, and student work spaces. Our walking tour will end at the School's "Capital Markets Center." This is a multi-user trading room where students can study and analyze real-time trading in the world's financial markets.

Faculty of the VCU Department of Economics will then describe experimental economics and its benefits. Attendees will participate in several rounds of a trading experiment involving buyers and sellers.

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The trading is simple. Maximizing your position within the game is not.

To make sure that everyone has a real incentive, we are offering prizes to the four individuals who perform the best in the experiment.

This is a unique opportunity to experience first-hand how experimental economics works and why it is used. Please sign up today!

LUNCHEON DETAILS

RESERVATIONS: Reservations are required! **The deadline is noon on Friday, August 15.** We ask that everyone please register online at our website, www.RABEva.org. Simply go to the website and click the "Register" link. You may also e-mail your reservation to us at rabe@RABEva.org. **Note the special price for this meal as it will be a boxed lunch.**

PAYMENT: Use your credit card at www.RABEva.org. Members may pay in advance or at the door using online, check or cash. Non-members need to pay in advance, either online or by check in the mail. (Are you a non-member? Just join already, it's easy!)

MEMBER NEWS

- **Billy Kinsey**, past president of RABE and our webmaster, has written an article that was recently published in the book Museums, Libraries and Urban Vitality. The article is titled "The Economic Impact of Cultural Attractions." (Roger Kemp and Marica Trotta, editors.) Billy's research at the VCU Center for Public Policy includes analyzing the local and regional economic contributions of arts, historic, and cultural attractions. Congratulations Billy on adding author to your resume.
- **Jon Cohodas**, formerly an Economist at the Virginia Economic Development Partnership, has accepted the position of City Economist for Richmond. He will be forecasting the General Fund Revenue for the City, monitoring and forecasting several City budgets and performing economic impact analysis for major City projects. Congratulations John on your new position.

We would love to help you celebrate successes in your life – professionally and personally. Submit news to Jackie Hudson, secretary and past-president, at Jhudson@yesvirginia.org

UPCOMING EVENTS

Econometrics for the Business Analyst (Boston, MA)

Topic: This informative seminar is for people seeking knowledge of recent developments in economic methodologies and quantitative analysis. The emphasis is on statistical applications as opposed to forecasting, although some forecasting material will be covered. A special focus will be placed on applications for business.

Date: August 19-22, 2008-Federal Reserve Bank of Boston

Details: <http://nabe.com/skills200808/index.html>

50th NABE Annual Meeting (Washington, DC)

Topic: "Addressing Future Economic Challenges"

Fifty years ago, when business economists gathered in Philadelphia for NABE's first annual meeting, forecasting and approaches to antitrust legislation were among the major issues discussed. Today the issues may be different but are no less compelling. At the 2008 annual meeting, several distinguished speakers will explore today's headline issues, such as credit conditions and the falling dollar, while also focusing intently on challenges that will impact U.S. and global economic conditions in the 21st century.

Date: October 5-7, 2008-J.W. Marriott Hotel

Details: <http://nabe.com/am2008/index.html>

Advanced Statistical Techniques- Economic Forecasting (San Francisco, CA)

Topic: Designed to aid economic forecasting, this seminar presents advanced statistical techniques, modeling and applications. The course is for people who are seeking knowledge of recent developments in economic methodologies and quantitative analysis. The emphasis is on forecasting and time-series analysis with applications in business.

Date: October 27-30, 2008-Federal Reserve Bank of San Francisco

Details: <http://nabe.com/skills200810/index.html>

THE PRESIDENTS CORNER

RABE members,

So what is going on in the economy?

In the same news report we hear about an economic slow down resulting in massive lay offs...and then we are told the economy is running away and significant inflation growth is real.

Our politicians are promising to fix the problem (which is scary in and of itself, as few in Congress have ever held a real job let alone understand what drives economic growth).

So what do we do at RABE? We give our members tools they need to do their own analysis and provide them with insight from national economists.

On August 19th, we journey to VCU where we will be greeted by the Dr. Michael Sesnowitz, the Dean of the School of Business. We will get a taste of the field of experimental economics and how it can help us understand the effectiveness and efficiency of market trading.

On September 4th, we have been invited to Bank of America to hear the Chair of NABE's Financial Roundtable, Tim McGee, give an overview of the state of the US economy. McGee also serves as the Director - Macro Strategy for the Bank of America Private Wealth Management.

Please invite your friends, who may be concerned by what is going on in the economy, to attend as your guest at either of these unique events.

Yours truly,

Rick

Rick Chess, President of RABE

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Contributions are tax-deductible
in accordance with the law.

 NABE Chapter