Welcome to Oeconomica
What is Oeconomica?

- Undergraduate Economics Research Society connected with the Department of Economics and the Becker Friedman Institute
- We are governed by a board of upperclassmen pursuing research on an academic and professional level
- We welcome undergraduates of any background! Even if you are not entirely sure you are interested in economics, Oeconomica hopes to introduce students to research in a welcoming and inclusive environment. We tier our programming so that there is something for everyone and you can continue to grow!
What is Oeconomica?

**General Meetings:**
- Thursday @ 6:30-7:30pm CST

**Workshops:**
- Wednesday @ 6:30pm CST

Zoom link sent over email and posted on website

**Mentorship:**
1st & 2nd years paired with 3rd & 4th years based on shared academic and professional interests

~1 hour time commitment per quarter

**Upper Level Programming:**
- **American Economic Association Trip** - virtually this year
- **Econometrics Game**
- **BFI Panel Planning/Upper Level Reading Group**

**Cohorts:**
Specialized research groups that provide students with the skills necessary to continue independent research projects or seek out research positions
Sneak Peek: Event #1 (October 15, 7 pm CT)

Professor Yana Gallen
(Harris School of Public Policy)

- Undergrad ’09 from UChicago!
- PhD ’16 in economics from Northwestern
- Labor economist studying gender wage gap, impact of family friendly policies on labor market, household saving and career decision making with limited information
Sneak Peek: Event #2 (October 22, 7 pm CT)

Professor Greg Kaplan
(Economics Department)

- Studies heterogeneous agents in macroeconomics
- Will be discussing his most recent research applying the heterogeneous agent framework to study the distributional consequences of the COVID-19 pandemic and associated lockdown policies.
Workshops

- Focused on helping you gain skills that will help you do research!
- When: Wednesday evenings 6:30 PM
- Planned workshops:
  - Introduction to GitHub, R, & Organizing Code
  - Introduction to Why We Use Regressions and What They Are
    - Part I: Some Probability Basics
    - Part II: What a Regression Is/Does
  - Introduction to Data Cleaning in R
  - Introduction to Making Plots in R
  - Regression Interpretation
  - Introduction to Regressions in R
  - And More!!!
Mentorship

● New this year: get matched with an upperclassman mentor who shares your interests!
● Meet at least once per quarter to chat about:
  ○ Classes
  ○ Research
  ○ Post-graduation plans
  ○ Pretty much anything you want!
● Potential in-person social events in the winter or spring

APPLY BY SUNDAY, 10/11 AT 11:59PM
AEA Meeting

- Annual meeting of the American Economic Association (AEA)
- We have been sponsored by the BFI to attend the last 4 meetings
  - This covers flight, hotel room, and registration fee
- The 2021 meeting will be taking place virtually on Jan 3-5, 2021
- Usually 20 students are selected with priority given to those writing BA theses
- More flexibility this year due to virtual nature of event
- Please fill in the AEA portion of the cohort selection form if interested!
Econometrics Game – Overview

- Overview:
  - The Econometrics Game is a competition in which teams of four are given a data set and 14 hours to devise and answer a question of economic importance.
  - Each team must write a comprehensive paper on their analysis.
  - Teams ultimately present to a panel of senior faculty and Nobel laureates.
Econometrics Game – Timeline

● First Econometrics Game
  ○ 2nd Week Spring (April 4, 2020)
  ○ UChicago Teams Only

● Second Econometrics Game
  ○ 4/5th Week Spring (April 18–19, 2020)
  ○ Non–UChicago Teams + Winners of First Econometrics Game
Past Prompt: “Your task is to use import competition on US markets to identify a causal effect.”

“Since the 1990s, the US has seen a substantial increase in import competition from China. The impact of these changes is likely to be broad, affecting not only more ‘economic’ outcomes such as labor market and industry composition, but social and political outcomes like marriage and elections.”
Upper Level Reading Group (Formerly: BFI Panel)

- Meeting time: Tuesday evenings 6:30 PM
- Plans the annual BFI Panel
  - Run by students
  - Typically occurs in Spring
- Aside planning the BFI Panel, will function as a reading group
  - Expect to present and lead a discussion on the papers
Cohorts

• Cohorts: small groups led by 1-2 upperclassmen leader to explore an economic question
• Work with upperclassmen, with help from graduate students and professors
• Typical timeline:
  ○ Fall - read and discuss key academic literature, and learn R
  ○ Winter - develop a research question and begin basic analysis to refine your topic
  ○ Spring - combine literature knowledge and technical skills to answer your research question. Produce and present academic paper.
Meet the Cohorts
Entrepreneurship, Innovation, and Antitrust
Cohort Overview

- The words “monopoly” and “innovation” appear frequently in the news and in the pages of economics journals.
- The progress and stagnation of technology and society are largely dependent on the interaction of entrepreneurship, innovation, and antitrust policy.
- This area concerns many multidisciplinary questions. We aim to discuss a variety of approaches. But, of course, we focus primarily on how economics can and has helped provide answers and direction to discussions about conflicts within and between entrepreneurship, innovation, and antitrust policy.
Topics

- Economic and legal history (Star of the show? The University of Chicago!)
- Theory
  - Game theory
  - Monopolies, oligopolies, cartels
  - Industrial organization
  - Antitrust/competition policy analysis
- Areas of study
  - Tech and healthcare
  - “Killer acquisitions”
  - Specific legal cases (Standard Oil, Microsoft)
  - Intellectual property and patent production
  - Cross-border comparisons
  - And more!
Timeline

Cohort leader contact information:
Cedric Elkouh, gelkouh@uchicago.edu
Yunshu (April) Hu, yunshu@uchicago.edu
First meeting: Saturday, October 17, 10:00 am Central Time

Background
- How to read an economics paper
- History of antitrust thought
- Introduction to economic theory of competition
- Introduction to empirical literature

Current Literature
- Coding, data cleaning, and analysis (primarily R)
- Deep dive into empirical literature of topics of interest
- Replication of empirical findings
- Exploration and framing of research topic to pursue in spring
- Data collection and cleaning for project

Research
- Complete research project
- Organize findings in short paper
- Prepare presentation and share findings with the rest of Oeconomica!
Monetary History and Central Banking
Cohort Overview

- Objectives
  - Cultivate a robust understanding of prevalent frameworks in monetary economics and central banking
  - Enable a critical appreciation of macroeconomic dynamics and current affairs
  - We undertake a grand tour of monetary history, tracing the development of central banking practices and their manifestations in today’s globalized world
Topics We Cover

- Gold Standard & Exchange Rate Regimes
- Monetary Expectations & Stagflation
- Banking System and Financial Crisis
- Zero Lower Bound
- Quantitative Easing
- COVID-19 Responses
- Decentralized Cryptocurrency
- Central Bank Digital Currency

and much more...

Potential Research Topics

- What are the long-term impacts of negative interest rates on growth?
- Does Quantitative Easing contribute to income inequality?
- What determines the effectiveness of central bank communications?
- Did monetary policy failure result in aggravated recessions in the late 1920s?
Timeline

First Meeting: Sunday, October 18, 9am CST
Regular Meeting Time: TBC

**Fall (Learning)**
- Fundamental concepts
  - Theory of Money
  - Monetary Policy
  - Financial Markets
- Monetary History
  - Gold Standard & Great Depression
  - Stagflation & Volker Reform
  - Financial Crisis
  - Post-crisis Recovery & COVID-19

**Winter (Research Tools and Ideas)**
- Econometrics Theory
- Data Analysis using R
- Begin gathering and cleaning data

**Spring (Finalize Research)**
- Finalize analysis
- Write a formal paper and present to Oeconomica
- Potential undergraduate journal publication
Game Theory
Game Theory Cohort Overview

- Remember how much fun you had learning the Prisoner’s Dilemma?
- Well this is that but like a whole year of it so join us thanks

Cohort Leaders: Justin Smith & Tam Tran
Game Theory Topics Covered

We will be going over different types of games in Game Theory and important solution concepts coming with it

- Strategic Games and Nash Equilibrium
- Dominance and Best Responses
- Mixed Strategy for Zero-sum Games
- Extensive Games
- Discounting for Repeated Games
- Bargaining and Coalition Games

We’ll also be playing model games including El Farol Bar problem, the Entry Game, Monty Hall Problem, etc..
The Game Theory Game Plan

Fall - The Theory
- Introductory Game Theory Lectures
- Opportunities to play model games and learn theory
- Research Papers Discussion Sessions

Winter - The Data
- Introduction to R (+Python) and LaTeX
- Brainstorming and Finalizing Research Topic
- Begin data discovery and data wrangling

Spring - The Research
- Continue to refine results
- Writing and Publishing the Paper
- Present our findings

Initial Meeting: Wednesday October 14th 8pm - 9pm (CST)
(future meeting times depends on cohort members)
Asset Pricing
Asset Pricing Introduction

- “Asset pricing theory tries to understand the prices or values of claims to uncertain payments. [One can] think of the theory as explaining why some assets pay higher average returns than others.” – John Cochrane
- Asset pricing develops theoretical frameworks to explain empirical observations.
Asset Pricing Topics

- Models: Capital Asset Pricing Model, Fama–French Three Factor Model
- Portfolio Theory: Mean–Variance portfolio (Markowitz), asset correlation (diversification)
- Risk: Definition of risk mathematically, risk factors, portfolio risk
- Schools of Thought: Efficient Market Hypothesis, Active Management, and Behaviorists
Asset Pricing Timeline and Contact Info

**Fall**
- Education
  - How to read a research paper
  - History of asset pricing
  - Introduction to Statistics in Finance
  - Additional topics of interest

**Winter**
- Coding
  - Python (pandas and numpy)
  - Data collection and cleaning
  - Finding research topics, and mini group research projects based on interests

**Spring**
- Research
  - Collective research project run by whole cohort
  - Present findings to other cohorts

Meetings: Saturday, 3–4 pm CT
Leaders: Trevor Bernard (tjbernard@uchicago.edu), Daniel Marohnic (danielmarohnic@uchicago.edu), Hao Zhu (haozhu@uchicago.edu)
Policy and Growth
Policy and Growth – What do we do?

- Analyze types of institutional actions on economic growth.

Cohort Leaders: Emma Yan, Yixin (Allen) Hu
Policy and Growth – How to approaching it

- **Topics and Models:**
  - Fiscal and Monetary Policy
  - Solow Growth
  - Microeconomic Optimization
  - Neoclassical Growth (NCG)
    - Real Business Cycle
    - Heterogeneous Agents
  - Autoregressive Models

- **Regional Case Studies:**
  - Japan’s Lost Decade / Pet Firms
  - China’s Pet Firms / Belt & Road
  - European Union: Crowding out or Crowding in?

- **Technical Skills:**
  - How to read a paper (effectively)
  - Understanding Econometrics
  - R (and Python)
  - LaTeX
Policy and Growth – What’s the game plan?

Fall – Setting Up
- Introduction to models and regressions
- Case studies on different regions
- Introduction to R (+Python) and LaTeX
- Cohort members decide on research topic

Winter – Analyzing
- Finalize Research Topic
- Decide on approach and models used
- Begin data discovery and data wrangling
- Basic Results

Spring – Writing
- Continue to refine results
- Writing the Paper
- Review and conclude
- Present our findings to other cohorts

Initial Meeting: Saturday 5pm - 6pm (CST)
(future meeting times depend on cohort members)
Investment and Risk Cohort
Investment and Risk Cohort

- “Why doesn’t capital flow from rich to poor countries?”
  - Robert Lucas Jr.

- Because economic assumptions break down!
  - Incomplete Markets
  - Misperceptions of risk
  - Uncertainty and Intertemporal Choice
<table>
<thead>
<tr>
<th><strong>Investment and Risk Cohort</strong></th>
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</thead>
<tbody>
<tr>
<td><strong>2</strong></td>
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<tr>
<td><strong>3</strong></td>
</tr>
</tbody>
</table>
| **4**  | Numeraires/Currency | 1. Lima - Numeraires  
2. Tragakes - Exchange Rates |
| **5**  | Investment Vehicles | 1. Leeds - "A Private Equity Primer" (Ch. 1 of PE Investing in EMs)  
2. Gompers - What do private equity firms say they do? |
| **6**  | Private Equity in Emerging Markets | 1. Lerner (HBS) - PE in EMs  
2. Leeds - Stark Contrasts (Ch. 2 of book)  
[3. Rosenbaum & Pearl - LBOs] |
2. Investopedia - Forex Hedging (see .txt for links)  
| **8**  | IRP - Forward Premium Puzzle | 1. Investopedia - Interest Rate Parity (see .txt for links)  
2. Shleifer & Vishny - The Limits of Arbitrage  
3. Bansal & Dahlquist - The Forward Premium Puzzle |
| **9**  | Managing PE Forex Risk in EMs | 1. Cardinal - Managing PE Forex Risk in EM  
2. Sarona - Apr. 2017 (Pages 5-6, 8-11, 13-17) |
Investment and Risk Cohort

- Potential research question:
  - Why are there no long-term hedges for emerging market foreign exchange?
  - What implications does this have for investments in emerging markets in general?

Value of ARS vs. USD, 2015–2020

Initial/Tentative Meeting Time:
Thursday 8–9pm CST (Oct. 15) (we’ll play skribbl.io!)

Contact:
bcardinal@uchicago.edu
lmavridis@uchicago.edu
Development Economics

- Why are some communities less wealthy than others?
- How is behaviour different in developing countries?
- Is increasing GDP what development all about?

This cohort will allow you to:

- Understand the unique economic decisions made in developing communities
- Gain new perspectives on how to measure and improve welfare
- Learn how to study the various facets of developing communities from both micro and macroeconomic standpoints
Topics

- Poverty
- Education
- Crime and Policing
- Political Economy and Corruption
- Individual & Social Welfare
- Immigration
- Environment
- Randomized Controlled Trials
- International Trade
- Macroeconomic Policy

https://rcg.org/realtruth/articles/090605-002-africa.html
Past Projects

- **Migration in India**
  - What are the causes and consequences of within-country migration?
  - Why do people migrate from rural to urban areas?
  - How do migration trends depend on gender?
  - Does migration improve economic welfare?

- **Conflict and Development**
  - Why is there so much civil conflict in developing countries?
  - Does reducing the spread of disease increase or decrease conflict?

- **Microfinance**
  - How effective is microfinance at alleviating poverty?
  - How do microfinance institutions overcome market failures?
Why Join?

- Are you interested in understanding topics such as poverty, inequality, and welfare?
- Do you want to learn how social circumstances affect decisions?
- Want to apply economics to less commonly studied societies?

This might be the cohort for you!

Meeting time: Saturdays 11am–12pm CST

Cohort Leaders: Becky (rscurlock@uchicago.edu)

    Majda (mjmallki@uchicago.edu)

    Thiviya (tkumaran@uchicago.edu)
Economics of Crime
Economics of Crime

- Why Join Us?
  - Beginner Friendly Topics and Methods
  - Extensive datasets available for empirical analysis
  - We care about your learning experience
  - Highly relevant and up-to-date subject
  - Appreciate the wide applicability of economic methods
<table>
<thead>
<tr>
<th>Week</th>
<th>Topic</th>
<th>Technical Skills</th>
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</thead>
<tbody>
<tr>
<td>2</td>
<td>Basic Facts</td>
<td>Interpreting tables and figures in academic writings</td>
</tr>
<tr>
<td>3</td>
<td>The Economic Model of Crime</td>
<td>Modeling</td>
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<tr>
<td>4</td>
<td>Extensions of the Economic Model of Crime - I</td>
<td>Intro to statistics</td>
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<tr>
<td>5</td>
<td>Extensions of the Economic Model of Crime - II</td>
<td>OLS regression</td>
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<td>6</td>
<td>Correlation vs. Causality</td>
<td>Selection bias, random assignment</td>
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<td>7</td>
<td>Police</td>
<td>Instrumental variable</td>
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<tr>
<td>8</td>
<td>Prisons</td>
<td>Natural experiment</td>
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<tr>
<td>9</td>
<td>Drugs and Alcohol</td>
<td>Transitional dynamics and steady state</td>
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<tr>
<td>10</td>
<td>Race, Racial Profiling, and the Criminal Justice System</td>
<td>More on OLS</td>
</tr>
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Timeline

- **Fall**
  - Understanding the Literature
    - Reading and discussing seminal works in the field
    - Learning important concepts and technical skills that are essential for economic research
    - Getting ideas for future research

- **Winter**
  - Programming workshops and research preparation
    - Coding, data cleaning, and analysis (R/Python)
    - Deep dive into empirical literature of topics of interest
    - Replication of empirical findings
    - Exploration and framing of research topic to pursue in spring
    - Data collection and cleaning for project

- **Spring**
  - Research Experience
    - Complete research project
    - Organize findings in short paper
    - Prepare presentation and share findings with the rest of Oeconomica!

Chris Xue, sxue@uchicago.edu
Yiyang Li, yiyangli99@uchicago.edu
First Meeting: 3pm Friday the 16th (future times determined by poll)
Behavioral Economics
Behavioral Economics – What are we?

- Traditional Economics theory expects human beings to be rational – to always act in their best interest
  - But humans are irrational!!
  - For example, we will go halfway across town to buy a pair of jeans for 50 dollars less, but we won’t think twice about blowing 500 dollars for extras when buying a car. Even though the absolute value of 500 dollars is greater than 50. This is an example of ‘Mental Accounting’, one of the theories for which Richard Thaler won the Nobel

- How do psychological, emotional, cultural, and social factors influence the decisions of individuals and institutions?

- Applying behavioral insights to improve outcomes for individuals and society
## Behavioral Economics – General Timeline

<table>
<thead>
<tr>
<th>Fall: Introduction to BE:</th>
<th>Winter: Narrow in on topic of choice (driven by cohort members)</th>
<th>Spring: Completion of research project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nudge theory</td>
<td>Diving deep into literature related to our chosen topic</td>
<td>Compilation of research project</td>
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<tr>
<td>Choice theory</td>
<td>Begin work on project:</td>
<td>Celebrate!</td>
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<tr>
<td>Heuristics and Biases</td>
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<tr>
<td>Framing</td>
<td>Finding relevant data sets</td>
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<tr>
<td>Practical Skills:</td>
<td>Clean and conduct analysis (using R)</td>
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<tr>
<td>How to read academic</td>
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<tr>
<td>papers</td>
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<tr>
<td>Coding in R</td>
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<tr>
<td>Statistical analysis</td>
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</tbody>
</table>
Behavioral Economics – Why join?

- Extremely beginner friendly!
  - No prior knowledge of Economics, Math or Coding is required
- Behavioral Economics is a highly dynamic and growing field
  - Tons of new research and new insights are being produced
- Our cohort is member driven
  - Reading and research topics will be determined by the entire cohort

First Meeting: Sunday, October 17th 2 – 3 PM

Contact us:

Ribhav Bose – boser@uchicago.edu

Anandita Rana – anandita@uchicago.edu
Labor and Consumption
Labor and Consumption (Potential Topics)

Our cohort will look at the labor market from a microeconomic perspective.

Topic of Interest:

- Unemployment
- Returns to human capital
- Welfare programs
- Shocks (such as COVID)
Labor and Consumption (Logistics and Goals)

● Skills
  ○ Literature review
  ○ R (for data wrangling and analysis)
  ○ LaTeX

● Economic Theory
  ○ Basic knowledge of regression
  ○ Theory of utility representations
  ○ Empirical vs. theoretical

First Meeting:
Saturday, October 17th 7-8pm

Michael Caosun: mcaosun@uchicago.edu
Rebecca Liu: rebeccabojunliu@uchicago.edu
RECAP & DEADLINES

Applications

Cohorts: Fill out this application before it closes at 11:59pm CST on Sunday Oct. 11th

Mentorship: Fill out this application before it closes at 11:59pm CST on Sunday Oct 11th

AEA Trip: Indicate interest in the cohort preferences form or email our AEA Director Zhi Zhang at (zhangzhi@uchicago.edu)

Upper Level Reading Group: Indicate interest in the cohort preferences form or email our Research Director Alena Kang-Landsberg at (akanglandsberg@uchicago.edu)

Information about the Econometrics Game will be sent over our listhost and posted on our website later in the year

Additional Information

Join our listhost – oeconomica@lists.uchicago.edu
- Follow this link

Check out our website – https://voices.uchicago.edu/oeconomica/

Upcoming Events

Oct. 15th @ 7–8 pm CST join us for a faculty talk with Yana Gallen

Oct. 22nd @ 7–8 pm CST join us for a faculty talk with Greg Kaplan
Board Emails

President: Azize Engin  
(azizeengin@uchicago.edu)

VP: Thiviya Kumaran  
(tkumaran@uchicago.edu)

Research Director: Alena Kang-Landsberg  
(akanglandsberg@uchicago.edu)

Community Director: Becky Scurlock  
(rscurlock@uchicago.edu)

Treasurer: Justin Smith  
(justinsmith@uchicago.edu)

Events Directors:  
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Rebecca Liu (rebeccabojunliu@uchicago.edu)

Social Media Director: Tanvi Bekal  
(tanvibekal19@uchicago.edu)

AEA Trip Director: Zhi Zhang  
(zhangzhi@uchicago.edu)

Econometrics Game Directors:  
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Yunshu April Hu (yunshu@uchicago.edu)
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- Michael Caosun (mcaosun@uchicago.edu)

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- Tam Tran (tammytran@uchicago.edu)

Development
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Economics of Crime
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- Yiyang Li (yiyangli99@uchicago.edu)

Behavioral Economics
- Ribhav Bose (boser@uchicago.edu)
- Anandita Rana (anandita@uchicago.edu)

Entrepreneurship, Innovation & Antitrust:
- Cedric Elkouh (gelkouh@uchicago.edu)
- Yunshu April Hu (yunshu@uchicago.edu)
Cohort Leader Emails

Monetary History & Central Banking
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Asset Pricing
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Trevor Bernard (tjbernard@uchicago.edu)
Hao Zhu (haozhu@uchicago.edu)

Policy and Growth
Allen Hu (ayhu@uchicago.edu)
Emma Yan (emmayan@uchicago.edu)

Investment and Risk
Ben Cardinal (bcardinal@uchicago.edu)
Lysi Mavridis (lmavridis@uchicago.edu)
Cohort Preferences Form: https://forms.gle/wjKS6mXZMthm54QdA
(Can also use to indicate that you are interested in the AEA trip or BFI Panel Planning/Upper Level Reading Group)

Mentorship Form: https://forms.gle/YCqsyDhYxWGhtk2c7