



ISSUES IN POLITICAL ECONOMY
Undergraduate Student Research in Economics

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Mission Statement

Issues in Political Economy is committed to supporting and encouraging quality undergraduate research in all areas of economics. The Journal was founded on the belief that the best way to learn economics is to do economics. Through the process of research, writing, and peer review, students actively engage the discipline in a way not possible by simply listening to lectures and reading textbooks. In short, undergraduate research is a vital component in an economics education. The literature suggests that students take projects more seriously and learn more when the project is directed towards an external rather than an internal audience such as a class assignment. *IPE* is designed to provide an external audience for such research.

Issues in Political Economy is edited and refereed entirely by students, with oversight from faculty at Elon University and University of Mary Washington. In order to maintain quality and objectivity, we follow a double-blind review process. The only requirements for submission are that the article pertains to some aspect of economics, that it was written during undergraduate study, and that it be submitted through a faculty sponsor. Though submissions on all topics in economics will receive consideration, papers should be analytical and seek to add new understanding to the topic

For additional information please visit our website <http://www.elon.edu/ipe>

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NOTE FROM THE EDITOR

Issues in Political Economy began over a decade ago with the goal of developing a forum to further the understanding of economics among undergraduate students. The original journal was conceived and cultivated by dedicated students and faculty at Bellarmine College in Louisville, Kentucky.

In 1999, Elon University and the University of Mary Washington inherited the sponsorship and editorial responsibilities of *Issues in Political Economy*. Since then, IPE has gained international recognition as one of only two undergraduate research journals, and has received submissions from all over the world.

The IPE not only focuses on promoting undergraduate research, but also is a student lead incentive. While faculty oversees the project, an editorial team of senior economic majors primarily leads the journal. Students review all submissions and the final decision-making rests in the hands of the editorial team.

We would like to thank Dr. Steve DeLoach from Elon University and Dr. Steven Greenlaw from the University of Mary Washington for their guidance and support. These faculty members steered much of the process, and the final result would not be possible without them.

The Journal also sponsors an undergraduate session every year, typically in conjunction with the Annual Eastern Economics Association Conference. This year's 25th annual IPE Conference was held in Boston, MA and was a great success, hosting many student papers and allowing students to serve as session chairs and discussants. We would also encourage any future submitters to consider presenting at the conference as well as submitting to the Journal, as the experience of a live presentation is not something to ignore.

It is out of hope that each year's *Issues in Political Economy* will build upon the success of the past and continue to be a creative and beneficial journal for all involved.

Parker Coon
2018 Editor

FOREWORD

Cole Scanlon from Harvard University, Keaton Scanlon from Warren Wilson College, and Teague Scanlon from Pomona College explore the theory of microfinance and how it applies to developing cultures. Using Senegal as a case study and a theoretical model using data from a global microfinance institution, they find that more collectivist cultures take fewer loans out for less amount of time and tend to use said loans for more communal applications.

Smith College's Nathalie Torres investigate so called "human costs" of migration and migration policies. Utilizing previous literature connecting criminalization of border crossings and deaths associated with those crossing, three OLS models explaining total number of migrants, number of missing and dead migrants, and a country's share of migrant deaths were estimated.

The paper concludes that more restrictive immigration policies ~~a country adopts~~ may lead to marginally fewer migrants coming into the nation, but risks an increase in the number of migrant deaths associated with the nation.

Stephen Sposito of West Chester University of Pennsylvania explores factors that contribute to the fluctuation of the violent crime rate in the United States. By estimating multiple regression methods, a wide variety of statistically significant variables on the crime rate were found. Sposito hopes that this can jump start further investigation and legislative change around criminal justice policy.

Absent conclusive literature connecting corruption and tourism in various countries, Soala Ekine of Bryant University attempts to estimate the effects that these factors play into an important industry in a variety of economies. Using measures of a corruption index from the Worldwide Governance Indicators, the article finds that countries with more corrupt government receive significantly less tourism than countries with a more transparent system of government.

Finally, Alec Zorbaugh of West Chester University investigates the correlation between fluctuating gasoline prices and the U.S. personal savings rate. Utilizing data from the Federal Reserve Bank of St. Louis, Zorbaugh finds a strong potential for correlation between the two. This may be used to explain multiplier effects that could affect policy decisions surrounding the economy.

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