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Letter from the Editor

Dear Reader,

Over three years ago, I came across a senior thesis written by recent Penn graduate, Eben Lazarus, that studied the relationship between economic prosperity and society's tolerance for immigration. Like the papers you will find below, it was the recipient of Penn's Lawrence R. Klein Prize, awarded for outstanding undergraduate research in economics. And, for an eager young matriculant, it offered a first glimpse into the academic life of an economics major and an example of what such a degree entailed. The language seemed dense, at times, but consistent with four years of training. There were many Greek symbols, and scattered formulas, although no detailed derivations. The topic and results were impressive, even if not entirely in line with my interests. In many ways, it previewed the personal dilemmas I would face over the next year and a half while deciding on a major. Is economics a serious scientific discipline? Is its interaction with mathematics fundamental or superfluous? Is its study limited to markets or more broadly applicable?

If you're now a freshman with similar neuroses: it is my hope that the *Penn Journal of Economics* (PJE) will provide a vantage point into what may be the next phase of your life, that it will play the same role for you that Lazarus' paper and the blogosphere did for me. In the pages of this and future issues, you will see exceptional undergraduate work across a variety of subfields - including financial economics, applied microeconomics, macroeconomics, development, and others

- and complementary fields, such as computer science. You will get a sense for what economic research entails, and what it does not (yet). Through our website and our events at Penn, we will try to provide resources that will help you navigate through the economics major and, potentially, towards graduate study in the discipline.

If you are a bit older - like us - then perhaps you have already committed to this path, for better or worse. You have been a part of various organizations and come across various undergraduate journals. As with any new enterprise in an established domain, you may ask, what distinguishes the PJE? To answer that, I can do no better than describe our founding philosophy. These are the aspects of our work that we prioritize, and should we ever lapse, will do our best to correct.

- Thorough, high-quality, and specialized refereeing. There is a lot of field-specific expertise spread among undergraduates, both within and across universities. We try to identify and coordinate this expertise.
- Efficiency in production. We have and will continue to invest time upfront to make our journal as easily-manufacturable as possible, our editorial process as smooth as possible, and our accumulated knowledge as accessible as possible.
- A willingness to experiment with new initiatives. We will look for ways to better promote the research that we receive and to solve coordination problems that hinder the potential of our undergraduate economics community.

We publish what in our best academic judgment represents interesting and useful work that contributes to the field of economics. We publish as many or as few papers as meet our standards. For papers that don't - for whatever reason - we try our best to provide detailed feedback and help authors overcome any perceived weaknesses in their work.

Without further ado, I am very proud to present the inaugural issue of our semi-annual publication. In this issue, we showcase some of the finest work done by Penn undergraduates over the past three years. We drew submissions from a combination of a previous call for papers, issued in 2012, former winners of the aforementioned Lawrence R. Klein Prize, and students recommended

by Prof. Kenneth Wolpin. In future issues, we will solicit submissions through formal calls for papers, open to all English-speaking undergraduates across the world. As a part of the Undergraduate Economics Society at Penn, we want to thank current and former Presidents Sonia Li, Aish Kumar, and Pia Figuerola for their support in launching this publication. Enjoy!

Sincerely,

Modibo K. Camara

Editor, *Penn Journal of Economics*

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