

Western Undergraduate Economics Review

2017

The *Western Undergraduate Economics Review* is an annual publication containing papers written by undergraduate students in Economics at Western. First published in 2002, the *Review* reflects the academic distinction and creativity of the Economics Department at Western. By showcasing some of the finest work of our students, it bestows on them a lasting honour and a sense of pride. Moreover, publication in the *Review* is highly beneficial to the students as they continue their studies or pursue other activities after graduation. For many, it is their first publication, and the experience of becoming a published author is a highlight of their undergraduate career. The *Review* is a collaborative effort of the students, faculty, and staff of the Economics Department. All papers submitted to the *Review* are essays written for courses taken in the Department. Some are by students in the early stages of their Economics studies, while others are papers written by senior students for the Department's unique thesis course, Economics 4400. Selections are made by the edition editors, in consultation with a faculty advisor, based on creativity, academic merit, and the written quality of the article.

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Editors' Comments

The 2017 edition of the *Western Undergraduate Economics Review (WUER)* showcases the diversity of high quality research completed by Western's Undergraduate Students. This year, the Review includes a collection of papers that provide pertinent exploration for economic theories in financial economics and macroeconomics, as well as theories that connect important economic concepts such as production and financial investment. Together, these papers highlight Western undergraduate students' critical thinking and self-exploration for fundamental theories taught by our faculty members. This *Review* begins with an outstanding contribution written by Tom Qiao and Parker Liu, who were the winners of the Mark K. Inman Senior Essay Prize. They evaluated long-run post seasoned equity offering stock returns in the United States by univariate analysis, which provides strong evidence for the effect of heterogeneous beliefs and short-sell constraints from Miller's theory. Tom was also awarded the Gold Medal prize in the Department of Economics.

A second senior thesis paper follows, written by Nadezhda Peretroukhina and Siddharth Untawala, on a new methodology from physics to measure the "raw energy" in a Cobb-Douglas production model. Their paper provides a physical ideology to approach total factor productivity which is difficult to measure in economics.

Lastly, Eric Huang and Matthieu Laurin wrote an excellent senior thesis on the comparison of quantitative easing (QE) programs of the US and UK. The paper provides a rigorous analysis of macroeconomics and currency market effects on UK and US QE programs after the 2008 financial crisis.

We hope that you enjoy reading the 2017 edition of the *Western Undergraduate Economics Review* and also gain a deeper appreciation for the quality of undergraduate economic research conducted at Western. Further, we would like to thank each of the authors for their contribution to this year's excellent edition of the *WUER* and we hope this edition inspires future economics students at Western to work even more diligently at their research.

Yan Wang
Kevin Madden
London, Ontario
May 2017

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