



UNIVERSITY OF WASHINGTON

Economics Undergraduate Board

THE ECONOMIZER

VOLUME 33, NUMBER 3

DEPARTMENT OF ECONOMICS

SPRING 2024

A Look into Economics Honors

LAURA SCHLADETZKY

The Economics Honors Program is an opportunity for students with research interests in the discipline to deeply explore a topic in Econ that they find particularly interesting or exciting, allowing them to develop a greater understanding of research methodology and data analysis within the social sciences. The program allows students to produce original research that results in a senior thesis that is turned in during the spring of their senior year, working one-on-one with a Department of Economics faculty member that serves as an advisor. For many students, this program is a wonderful way to explore the research discipline and help them decide if they want to pursue a career or further education within the field of economics research.

Several members of the economics undergraduate board have spent this year developing their own theses. Throughout the year, they've engaged with faculty members and each other to make connections and develop a deep understanding of how specific policies and worldwide developments have affected economic outcomes.

EUB member Atreya Bhamidi wrote his thesis on the Ohio statewide math and literacy tutoring program and its return on post-Covid academic achievement.

"I wanted to see what the whole research process was like, and also have something to show as a writing sample for grad school applications and stuff moving forward," Bhamidi said. "It gave me a better view of what the research process looks like from start to finish, the challenges of coming up with something on your own that contributes positively to the literature while not simply just repeating what's been done before."

Another EUB member, Timila Kulkarni wrote hers on the Mandatory Housing Affordability Program in Seattle and its effects on housing prices. She cited that the honors program allowed her to explore her interest in analyzing policy impact and solidified her desire to pursue economic and policy based research in the future.

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Reflecting on the Economic Networking and Social Mixer

ZAYNA AARBI

Every student in economics experiences the following moment at least once: they put down their pencil, stare at the complex graphs and equations beneath them, and ask themselves, "Will I use this after college?" After all, it is difficult to imagine sitting at a desk in the office building of some corporation and drawing supply and demand graphs. On May 7th, more than 40 economics majors gathered in HUB 250 to ask industry professionals and UW Economics alumni this very question and more.

The Economics Undergraduate Board (EUB) invited 14 industry professionals, many of which were members of the EUB themselves, to return to UW and use their experiences to advise Economics majors. Professionals' careers ranged from supply-chain management to consulting, and more. As students sat down in casual circles of chairs with their peers and the alumni, they had the opportunity to learn more about various academic opportunities and career paths. While many pondered over career-specific questions, others asked general questions about the field of economics.

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"I learned that I really like the way the research process challenges me to think about questions and about the world," Kulkarni said. "I've learned a lot about econometric methods of analysis and how to handle data."

Finally, Anastasia Argat wrote her thesis on the effect of Ukrainian refugees on unemployment in Poland. She saw the economics honors program as a way to get personalized research experience, an opportunity that is often difficult to come by in the department, and gain concrete skills in programming and data analysis.

This experience helped me realize that I enjoy this

"econometric side of the field a lot more than previously recognized," Argat said. "I used to enjoy the qualitative aspect more as I had limited experience with quantitative research, but I can now see myself possibly pursuing a career or further schooling on the more data driven side."

For those with an interest in developing their research skills, diving deeper into data analysis methodologies, getting to know faculty, or simply excited about challenging themselves in the field, consider applying for the Economics honors program. Students must apply no later than winter quarter of their junior (or second to last) year.

Airbnb's Near Our National Parks: Trash or Treasure?

SONOMA MILLER

Airbnb's presence near national parks has sparked significant debate over its economic impact on surrounding communities. The company's growth in the last decade is undeniable, with their revenue growing from \$400M in 2014 to \$9.9B in 2023. While it undeniably offers opportunities for revenue generation and job creation, concerns loom large over the strain it places on local infrastructure and housing affordability. As Airbnb continues to grow in coming years, it is impossible for Seattle residents not to recognize its influence near national parks, and it is crucial to examine both its positive contributions to local economies and the challenges it poses in terms of sustainability and community well-being.

As Airbnb rentals proliferate near national parks, they serve as a lifeline for many individuals and families, particularly those residing in rural communities where job options may be scarce. According to Airbnb, "the typical host in the US earned approximately \$14,000 in supplemental income in 2022" highlighting the significant financial boost that renting out properties can provide to local economies. Moreover, the influx of tourists staying in these accommodations not only benefits hosts directly through rental fees but also stimulates spending in surrounding businesses, amplifying the economic ripple effect. This additional income has transformed lives and livelihoods, empowering individuals to pursue entrepreneurship and achieve financial stability in regions where it was previously elusive.

Airbnb's presence near national parks not only fosters revenue generation but also stimulates job creation, particularly in sectors such as hospitality, transportation, and retail. The demand for Airbnb accommodations has led to the emergence of new employment opportunities in cleaning services, property management, and various tourism-related businesses. According to the US Department of the Interior, visitor spending in national parks contributed a staggering \$50.3 billion nationwide and supported nearly 380,000 jobs, illustrating the significant economic impact of tourism facilitated by platforms like Airbnb. This influx of visitors not only sustains existing jobs but also creates new positions, providing a vital source of income for local residents and contributing to overall economic growth in the region.

Despite the potential for supplemental streams of income and job creation, a surge in tourism due to Airbnb rentals can strain local infrastructure, leading to issues such as traffic congestion, increased demand for public services, and pressure on natural resources. While both vehicular and on-foot traffic has become an issue across the country, Yosemite is notorious for its standstill traffic and crowded trails during the summer. One visitor during a news interview said that "traffic ground to a halt 80 miles outside of Yosemite Valley, and continued crawling at a snail's pace for three hours, before they finally reached a parking space."

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The diversity of interest and experience in the room demonstrated the vast sea of opportunities available to those who graduate with a major in economics. As many alumni explained, after graduating, there is a clear ability for customization, where individuals may specialize as little or as much into their chosen field as they would like. Additionally, they may find differing experiences depending on the size of the company they work for. While a start-up would provide easy ability to gain responsibility and grow within the company, a more established company such as Amazon would allow specialization into a specific piece of the process.

Industry professionals also discussed the nature of many positions in economics as problem-solvers. Regardless of the subcategory, every occupation present at the mixer described their job as being an analyst, and then providing a solution to some problem. Therefore, students who enjoy analyzing problems and working towards a viable answer should feel comfortable slipping into many careers in economics.

Not surprisingly, however, the most commonly asked question during the mixer was whether the concepts

learned during university would be used while working in an actual job. All alumni had similar responses that can be summed up by the phrase: “not really”. They explained that while no job outside of academia requires specific knowledge of how to draw graphs and find points of equilibrium, the vitality of the economics degree lies in the thought processes and method of analysis that it ingrains in students. As alumni put into other words, UW Economics equipped them with “the way of thinking” required for their careers. In a way, this makes a degree in Economics crucial to success in the field. This may be comforting to know for many economics students struggling with a specific topic in their Economics class because it implies that low grades or a lack of understanding won’t immediately translate to struggle after education.

Couldn’t make it to the Economic Networking and Social Mixer? Don’t worry, the EUB plans to host this event every year. Make sure to keep an eye out for next year’s event date and time so you can ask your own questions to industry professionals and UW Economics alumni.



Economics students mingle with industry professionals

Airbnb's Near Our National Parks: Trash or Treasure?

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While Airbnbs near national parks hope to make these sites more accessible, the apparent strain on the parks contradicts this; in addition to the physical inaccessibility of trails to visitors, increased air pollution from vehicles, waste from hikers, and overcrowding on hiking trails can deteriorate protected areas over time.

Perhaps the most outstanding economic concern regarding Airbnb and short-term property rental services is that the popularity of Airbnb has been shown to contribute to housing shortages and increased housing costs for local residents. As properties are converted into short-term rentals, the available housing stock is reduced, driving up housing prices. However, the inelasticity of housing leaves these owners and renters with few other options, potentially forcing them to relocate. Some cities are already addressing this issue, with New York placing strong legal regulations on hosts after “Airbnb introduction and expansion in New York City... may have raised average rents by nearly \$400 annually for city residents.” As such, the need for proactive policies to safeguard housing accessibility and affordability in the face of Airbnb’s growth near national parks remains a pressing concern for policymakers and communities alike.

While Airbnb's presence near national parks undoubtedly brings economic benefits such as supplemental income for local residents and job creation, it also raises significant challenges, particularly concerning housing affordability and strain on local infrastructure. As demonstrated by the case of New York City, the unchecked expansion of short-term rentals can have detrimental effects on housing costs and community stability. Therefore, proactive regulatory measures are essential to ensure that the growth of Airbnb and similar platforms is sustainable and equitable, preserving the socioeconomic fabric of communities near national parks while harnessing the potential for positive economic impact.

By striking a balance between tourism-driven economic growth and safeguarding the environments of both national parks and local residents, policymakers can navigate the complexities of Airbnb's influence and cultivate thriving, resilient communities in proximity to natural treasures.

ANNOUNCEMENTS

Economics Tutoring:

The EUB offers free tutoring every weekday at various times every quarter! Check the schedule on the EUB website to see tutoring times. If you need help with an upper-level class, however, make sure you check the website to see which tutor can help.

Contribute to the Economizer:

The Economizer will be seeking guest writers for our Autumn quarter issue. Interested writers should check their emails from the department in the early Spring quarter for submission instructions.

The Economizer is a quarterly newsletter published by the Economics Undergraduate Board. The articles herein do not necessarily reflect the views of the department or its faculty.

EDITORS:

Zayna Aarbi, Laura Schladetzky

WRITERS:

Laura Schladetzky, Zayna Aarbi, Sonoma Miller

CONTACT:

Please email us with your questions, comments, or concerns at eub@uw.edu

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