My Summer Internship Experience: Laffer Associates

Cooper Killen

I was lucky enough to land an internship opportunity at Laffer Associates this summer in Nashville, Tennessee. Laffer Associates is a finance and economic research firm that focuses on the effect of tax policy on the economy. It was started by Dr. Arthur B. Laffer, who was the head of economic policy under President Reagan (Dr. Laffer is largely attributed with ‘Reaganomics’). Dr. Laffer is most famously known for his theory on tax rates and revenues coined the ‘Laffer Curve,’ a concept I have learned in a few different Sewanee economics classes. Typically, Laffer Associates researches economic issues in depth and then writes a research paper regarding an issue, which they send out to their 2000+ clients.

Throughout the internship, I was responsible mainly with doing a lot of the economic research. I would research a topic and report the data and information to a research analyst, who would then publish a paper on it. Topics I researched included Cuba’s investment opportunities following Obama lifting Cuba’s listing as a terrorist state. It was cool to know that I had an influence on what their clients were going to read about the economy, and also to understand how politics and this lifting could have a large effect on investment opportunities. Another topic I researched was the economic downturn of Connecticut following large tax hikes in the past two decades, and how large companies such as General Electric were rapidly pulling out of Connecticut due to large tax rates. I did another project on the recent volatility in bonds and U.S. Treasuries, where I got to speak with many published authors about their data and projections. This was a subject I did not know much about, so it was essential to get a lot of background knowledge on treasuries, bonds, and volatility indices. Then, I was able to use data to create
graphs, tables, and notes which aided the research analyst in publishing a research paper about the future of bond volatility, which has the potential to be an extremely important issue in our economy, following the Dodd-Frank and Basel III acts.

In addition, I transcribed speeches from Dr. Laffer’s annual conference on economic issues, which was interesting and provided me insight from many top D.C. politicians and economists on many important issues. Topics included the carbon tax/ global warming, the economics of uncertainty with the upcoming presidential election, tax reform, trade, partisanship, oil, regulatory reform, education, and Dodd-Frank.

The bulk of my summer was spent getting rather close with IRS data. I looked at personal income tax rates since the year 1916: pulling out the data from the IRS website, cross-checking it, creating tables, creating formulas for the tax rates, and then creating weighted averages for each year with multiple different methods. What was most valuable about this project was seeing an entire project through, from the initial gathering of data to the final charts, weeks later. I also learned a lot of valuable excel skills. I used the data to create averages and formulas in excel in many different ways, and while it was sometimes a tedious job, it was also stimulating to my math-oriented brain!

I certainly learned a lot at my internship. The biggest adjustment was having to sit at a desk for so long each day. I had to learn to take breaks and take care of myself, and most importantly, that a good night’s sleep is crucial! Mostly, I learned how to handle myself in a professional environment. I certainly had some misconceptions about the stuffiness of the finance world, as I was happily surprised to learn that kindness and fun can be maintained with your coworkers while still remaining wholly professional. I also learned how crucial
communication is, because it is so important to know what you’re expected to do, when it’s expected to be done, and also to check in with your coworkers to make sure you’re on the same page and correctly carrying out the project. It is so important to communicate, check in, and ask questions!

This summer has shown me how capable I am of being in the real world. I am capable of producing results that are valuable to people in the real world, and while I don’t know everything, I have a lot of room to grow! I learned valuable professionalism, communication skills, independence, and also hard skills such as research and excel. I will certainly need excel after graduation in my future job and research will be helpful even sooner for writing my thesis my upcoming senior year.

This internship showed me exactly what I wanted to do in the future. Economics can be stimulating and fun, and it does not have to be as boring and stoic as I had originally perceived. I am pleasantly surprised by the outcome of my internship. I was inspired by my coworkers, who offered great advice on a good path after graduation, and I was inspired by the interesting research I was doing. It was such an honor to get to work with Dr. Laffer, a really important figure in economics, who is a welcoming and extremely intelligent man. I now look forward to finding a similar job after graduation!