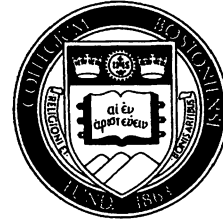




THE BOSTON COLLEGE ECONOMICS DEPARTMENT NEWSLETTER

July, 1994



1993-1994: A Year of Change

There have been a number of significant changes at Boston College and its Department of Economics this year; in this issue of BC•EC, we will acquaint you with some of the most newsworthy. First and foremost, from the Department's perspective, we have a number of staffing changes to report. These include both significant additions to the Department's faculty; the loss of three faculty members; and changes in the academic administration, at both Departmental and Graduate School levels (applications for the post of department chair are now being accepted). You may also have heard of the announced intention of President J. Donald Monan, S.J., to resign this year; he has agreed to stay on for up to three years, following an unsuccessful search for a worthy successor.

The Department also underwent a very thorough evaluation this year, involving the preparation of an extensive self-study document reviewing all aspects of Departmental activities and a campus visit by a blue-ribbon panel chaired by Prof. Robert Solow of MIT. The entire exercise proved quite valuable in helping Department faculty and staff gain perspective on the varied aspects of our mission, and the degree to which our efforts have been successful. Some key findings from the self-study document and the panel's recommendations are reported below.

The Department's output and placement of Ph.D.s was strong again this year, with participants in the job market attaining unprecedented success in both academic and non-academic fields. Although the market for economists remains very competitive, our students were able to attract a number of high-quality offers, highlighting the ability of BC Ph.D.s to compete with the best and brightest in the market.

Sponsored research activity has also been on the upswing this year; several faculty members have been successful in winning grants from a variety of sources, permitting them to support promising Ph.D. students and giving them that hands-on experience which is often a key factor in those students' progress toward a well-designed research agenda.

Hansen to strengthen Econometrics program

The Department's offerings in econometric theory and methods will be broadened and strengthened this fall with the addition of Prof. **Bruce E. Hansen** to the faculty. Hansen is presently an associate professor at Rochester, where he has served since receiving his Ph.D. from Yale in 1989. He holds a Sloan Research Fellowship for 1994-96 and has received two NSF grants for research in econometric theory.

Hansen has published extensively in econometrics; his 15 published papers include articles in *Econometrica*, two in the *Journal of Econometrics*, and three in *Econometric Theory*. His earliest work, dealing with models of integrated processes, was coauthored with thesis adviser P. C. B. Phillips. More recent papers include analysis of parameter constancy in nonstationary processes; the Markov switching model of GNP; and asymptotic theory for GARCH estimators. Bruce will be teaching one semester of the Ph.D. Econometric Theory sequence as well as the introductory Ph.D. course in mathematical statistics this fall. He is sure to be in heavy demand among dissertation students seeking help with time series econometrics!

Felli, Marrinan, Whited leave faculty

Three members of the department faculty have announced their resignations. *Leonardo Felli* has accepted a three-year appointment at London School of Economics. *Jane Marrinan* has accepted a position at Universitat Pompeu Fabra in Barcelona. Jane is no stranger to Europe, having spent academic years 1991-1993 in Italy. *Toni Whited*, now married to former faculty member *Tim Erickson*, was on leave at Princeton University last year; she will be joining the faculty at the University of Delaware this fall.

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Cecchetti swells macro ranks

Some of the heavy demand for macro/monetary courses and advisement will be met this coming year by Prof. **Stephen G. Cecchetti**, a noted scholar and editor of the *Journal of Money, Credit and Banking*. Although Steve is officially a visitor, on leave from his position as a Professor at Ohio State University, he has expressed his willingness to accept a permanent appointment at Boston College, subject to his wife's ability to find an appropriate position in the Boston area. She is a Professor of Mathematics at OSU, and will be also taking a visiting position in BC's Math Department next year.

Cecchetti has served at OSU since 1987, receiving a promotion to professor in 1992. He holds a Ph.D. from Berkeley, and has also served at NYU, as a visitor in 1992-93 at Princeton, and as a junior economist at the Council of Economic Advisers. He was named a NBER Research Associate in 1989, involved with their Monetary Economics and Asset Pricing Programs, and currently serves as a consultant to the Cleveland Fed. Steve has been awarded two NSF grants: to research interest rates and economic activity in the Great Depression, and currently to study production capacity, firm size, and economic fluctuations. He also serves on the Board of Editors of the *AER*.

His 19 publications in refereed journals include forthcoming work in *REStat* on the causes of the Great Depression; a recent article in *Journal of Finance* on testing intertemporal marginal rates of substitution; an analysis of the equity premium and the risk-free rate in a recent *Journal of Monetary Economics*; and numerous other articles in the *AER*, *JPE*, and *REStat*.

After enjoying *Enrico Spolaore's* presence in the department as a visiting professor for the past year, we bid goodbye and good fortune. Enrico will be at ECARE in Brussels.

Marcouiller to strengthen development offerings

Economic development, a field of study attracting great interest as BC students exhibit a more international and interdisciplinary perspective, will receive more attention in our curriculum with the addition of **Douglas Marcouiller, S.J.**, to the faculty this fall. Marcouiller, the first Jesuit to join the department in many years, is a newly-minted Ph.D. from the University of Texas-Austin, where he has worked with BC faculty "alumni" *Leslie Young* and *Scott Freeman*. His dissertation research focused on the "economics of informality," analyzing the effects that the "informal sector" of developing economies have on taxation and labor supply. His paper "The Black Hole of Graft: the Predatory State and the Informal Economy," co-authored by Young, is under revision at the *AER*.

Marcouiller holds a Princeton degree in Public and International Affairs and a M.A. in International Relations from Yale. He has broad interests in the economics of Latin America, performing research in that region and teaching short MBA courses for several years at Universidad Centroamericana in El Salvador. He entered the Society of Jesus in 1978 and was ordained in 1986 following completion of his M.Div. at Weston School of Theology. While at Weston, he served as a research assistant to David Hollenbach on the Bishops' Letter on the US Economy.

His interests in economic development will lead this year to undergraduate courses on the Political Economy of Developing Nations and, in collaboration with Chris Canavan, the Economics of Latin America. Doug's presence will allow us to offer courses in this area of growing interest and will be invaluable to dissertation students whose research involves development issues.

Richter bids farewell

After serving as a Boston College faculty member for over two decades, Prof. **Donald K. Richter** has resigned from the department to pursue other interests. Richter joined the department in 1972 after receiving his Ph.D. from MIT. He was promoted to Associate Professor in 1977 and Professor in 1982. He also served during 1973-74 as an assistant professor at Rochester. His research interests have been concentrated in mathematical economics and urban economics. He served for many years as an associate editor of *Regional Science and Urban Economics*. Among Don's publications are two articles in *Journal of Econometric Theory*, one in *Econometrica*, and two articles in *International Economic Review*. His work in recent years has been focused on the completion of a graduate textbook in microeconomic theory.

Generations of Ph.D. students remember Don's wry humor and dietary preferences (he is known to be very fond of yogurt and lemmas) and his talent for softball (headline on his door: *Ageing Legend Still Throws Strikes*) as well as his ubiquitous presence on the Micro Comp committee. Don is married to Jane Gilligan, Ph.D. '88. We wish them both the best.



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Department of Economics, Carney Hall,
Boston College, Chestnut Hill, MA
02167-3806 USA. You may reach the
department by telephone at 617-552-3670, or by telefax
at 617-552-2308, or by electronic mail at
baum/ec@hermes.bc.edu.

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Nine Graduate Degrees Conferred on May 23

The 118th Boston College Commencement—the first (and one hopes the last!) to be held on Shea Field—included the conferral of four Ph.D. degrees and five M.A. degrees to members of our graduate program. Alumni status came to the few, the brave, the dedicated once again. The Ph.D.s included *Xiaoqiang Hu*, *Alison Kelly*, *Olin Liu*, and *Sister Beth Anne Tercek*. Their topics, defense dates and advisors: *Xiaoqiang Hu*, “Three Essays on Financial Economics and International Economics,” January 12, 1994, Kit Baum and Bob Murphy; *Alison Kelly*, “Exposing Various Biases in the Measurement of Productivity Growth,” July 14, 1993, Frank Gollop; *Olin Liu*, “An Alternative Nonlinear General Equilibrium Model of the Term Structure of Interest Rates,” December 22, 1993, Kit Baum; and *Sister Beth Anne Tercek*, “North-South Technology Transfer in the Context of International Returns to Scale,” June 9, 1993, Jim Anderson. Their success in the job market is chronicled elsewhere in this issue. Receiving M.A. degrees were *Chuan Hua Cai*, *James Connors, Jr.*, *Lerzan Iskenderoglu*, *Sanche Llewellyn*, and *Robert Krier*.

Congratulations to all and best wishes for the future! (The alumni fund solicitation is in the mail).

CHENEY SCHOLARSHIPS AWARDED

Last fall, the Department announced that Robert J. Cheney Scholarships for 1993-1994 had been awarded to Tracy Nansel and Elizabeth Mayer, both students in the College of Arts and Sciences. Tracy, a double major in economics and English and a member of the A&S Honors Program, wrote her economics honors thesis,

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Momentous Changes in McGuinn

One of the most important posts in the BC administration—the Dean of the Graduate School of Arts and Sciences—has changed hands for the first time in many years. Dean *Donald J. White*, Professor of Economics, has retired after more than two decades at the helm of GSAS. His successor, *Michael A. Smyer*, will inherit a refocused deanship. The graduate programs of Education and Nursing are no longer the responsibility of the Dean of GSAS, while that post now includes the title of Associate Vice

DONALD J. WHITE

Graduate of Boston College and Harvard University, Professor of Economics, and former Associate Dean of the College of Business Administration, you have served with distinction as Dean of the Graduate School of Arts and Sciences and Associate Dean of Faculties for more than two decades. While national academic bodies have wisely honored you with positions of highest leadership, this admiring company salutes you today for your far less public career of outstanding service to *alma mater*. As member and chairman of many major, often landmark, University committees, you contributed an arbitrator's judgment, the worldly philosopher's wisdom, and a teacher's sensibility to reports and plans which charted the course to our current splendid state and pointed toward greatness in the new millenium. In witness of her gratitude to a leading citizen of our community of scholars, who has dwelt in these precincts of learning with reverence, fidelity, and joy for fifty eventful years, Boston College happily proclaims a newly-minted and beloved Golden Eagle Doctor of Humane Letters.

President for Research, “providing new impetus, organization and leadership to research endeavors across the University” according to the *BC Chronicle*.

Dean White has been a long-standing supporter of Economics graduate programs, and has introduced a number of innovations (such as the internal Dissertation Fellowships) which have greatly strengthened our program. His wise counsel (and those early-morning notes under the office door!) will be sorely missed.

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Cheney scholarships.. from p.4

"The Determinants of Crime," under the direction of Peter Gottschalk and Joe Quinn. She also was awarded the *Alice E. Bourneuf Award* for excellence in economics at the May commencement. Tracy's other claim to fame is that she held a work-study position in the Department for three years. In keeping with the Newsletter's society page tradition, we also want to mention that Tracy is engaged to Chris Burk, last year's Cheney Scholarship recipient; an August wedding is planned.

Elizabeth was co-chair of Omicron Delta Epsilon, the economics honor society, for 1993-1994 and a tutor in economics at the Academic Development Center. Her interest in economics lies in natural resources, and she has been an intern for the Sierra Club. She is considering joining the Peace Corps, perhaps following in the footsteps of Paul Cichello, one of the inaugural Cheney Scholarship recipients, who is now finishing a two-year assignment in The Gambia, West Africa.

We'd like to commend Cathy Schneider, whose zealous efforts continue to keep alive Father Cheney's memory and ensure the fund's success. Please contact the Department if you'd like to contribute to this worthy cause in Bob Cheney's honor.

Momentous changes... from p.4

Don received a warm send-off from faculty and professional staff at a reception in late spring, and was granted the rare honor of a Boston College honorary doctorate at the May commencement ceremonies. The citation for that degree is reproduced on page 4.

Michael Smyer is a psychologist from Pennsylvania State University, serving at that institution since 1977 as a faculty member and associate dean for research and graduate studies in the College of Health and Human Development. His Ph.D. degree in Personality and Clinical Psychology was conferred by Duke in 1977. He has co-authored or edited three books, published over 50 articles, and received numerous research grants in his field of research: the

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GRADUATE STUDENT AWARDS CONFERRED

José Hernandez spent spring semester at the London School of Economics and Political Science under the auspices of a scholarship awarded to him by the Spanish Government. *David Richardson* and *John Jordan*, Teaching Fellow and Teaching Assistant, respectively, were this year's winners of the Graduate School Teaching Excellence Awards. *Kathleen Lang* was granted a 1994-1995 Graduate Arts & Sciences Dissertation Fellowship. *James Monks* and *Michael Salve* were the recipients of GSAS one-semester dissertation awards for 1994-1995. This is the first time that the Department of Economics has received two full-year Dissertation Awards; a strong applicant pool and the successful outcomes of past award winners have contributed to this largesse. *Kristian Uppenberg* was named as this year's H. Michael Mann Award winner and *S. Gürcan Gülen* was granted a GSAS Summer Dissertation Award.

Five Students Write Senior Honors Theses

The rejuvenated Economics Honors Program turned out five graduates this year. In addition to *Tracy Nansel* (see page 4), *Pete Grondin* wrote "Cancellations of Defense Contracts and Stock-Market Returns," under the direction of Bob Murphy; *Jennifer Lewis* worked under Richard Arnott as advisor and presented "Limited Equity Cooperatives"; *Louis Laggy's* thesis under the direction of Don Cox was "Tipping: Irrational Economics?"; and finally, *Paul Colone* presented "An Analysis of HMO Efficiency," with Dick Tresch as his advisor.

design, implementation and evaluation of health-related interventions for older adults and their families. Since accepting the deanship, Smyer has stated that BC's national reputation in undergraduate and graduate education provides a challenging base for the development of a stronger research program.

Jim Anderson's publications include: "Domino Dumping, II: Antidumping," *Journal of International Economics*, 35, 133-150, August 1993; "The Trade Restrictiveness of the Multi-Fibre Arrangement," with Peter Neary, and "Measuring the Restrictiveness of Trade Policy," with Peter Neary, both in the *World Bank Economic Review*, May 1994. Forthcoming are: "Tariff Index Theory," *Review of International Economics*; "Domestic Distortions and International Trade," with Peter Neary, *International Economic Review*; and "Strategic Lobbying and Antidumping," in the *Journal of Economic Integration* special issue on dumping. In 1994 Jim attended conferences and made presentations at the World Bank, the Royal Economic Society and at Rutgers. He began a second three-year term on the editorial board of the *Journal of International Economics* in January 1994.

Richard Arnott escaped from Boston's ferocious winter to spend part of January and February 1994 as a visiting professor at DELTA, Ecole Normale Supérieure, in Paris. In June of 1993, also in Paris, Richard presented "Insurance Markets and Moral Hazard," at the Conference on Insurance Markets and Contracts. Before traveling to Paris, Richard presented "Rent Control, Mismatch Costs, and Search Efficiency," coauthored with Masahiro Igarashi, at the AER/AREUEA Annual Meetings held in January in Boston, MA. Richard also attended seminars at Harvard and DELTA. He edited *Public Economics: Selected Papers by William Vickrey*, with Kenneth Arrow, Anthony Atkinson and Jacques Drèze, Cambridge University Press, 1994.

Chong-en Bai was a discussant at the January ASSA meetings for Yijiang Wang's paper "Alternative Transition Strategies to a Market Economy: The Case of China (II)." Chong-en was invited to seminars at Boston University in

February and at the London School of Economics in May where he presented "Wage Contracts and Specific Human Capital Investment under Uncertainty." He will be attending the Annual Meeting of the Chinese Economic Society in August, where he will chair the session "Microeconomic Theory."

Kit Baum's recent publications include "Agency Costs, Charter Amendments, and the Market for Corporate Control," coauthored with Chucky Chakraborty (Ph.D. '94), forthcoming in *New Directions in Finance*, ed. D. Ghosh and S. Khaksari, and "Intensity of Anti-Takeover Defenses: The Empirical Evidence," also with Chakraborty, in *Computational Techniques for Econometrics and Economic Analysis*, edited by David Belsley and published by Kluwer. Kit travelled to the Financial Management Association meetings in Toronto last October, serving as a discussant; to the IFAC Workshop on Computational Methods in Economics in Finance, in Amsterdam, where he organized a session on the term structure of interest rates. His paper "Comparing Alternative Models of the Term Structure of Interest Rates," joint work with dissertation student Basma Bekdache, was presented at that meeting. Kit then travelled to the North American Summer Meetings of the Econometric Society in Québec, where he presented "Risk Premia in the Foreign Currency Futures Basis," joint work with thesis student John Barkoulas. He kept himself occupied during the long winter editing the departmental self-study document, which by all accounts impressed the visiting committee by, as they say, the weight of the evidence.

Don Cox's "The Effects of Borrowing Constraints on Consumer Liabilities," with Tullio Jappelli (Ph.D. '88), appeared in *Journal of Money, Credit and Banking*, 25:2, May 1993. Forthcoming is a book chapter, "Private Transfers and the Effectiveness of Public Income Redistribution in the Philippines," with Emmanuel Jimenez, in Dominique van de Walle and Kim-

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berly Nead, eds., *Public Spending and the Poor: Incidence and Targeting*, The World Bank, Washington, DC. "The Connection Between Public Transfers and Private Interfamily Transfers," with George Jakubson, has been accepted for publication in the *Journal of Public Economics*.

Don presented papers at several institutions and conferences throughout the year: "Are Private Transfers Altruistically Motivated? Evidence from a Country with Small Public Safety Nets," at the University of New Hampshire, March 1993; "The Effects of Borrowing Constraints on Consumer Liabilities" at Washington University in St. Louis, April 1993; "Family Safety Nets During Economic Transition: A Case Study of Poland," at the "Privatization and Socioeconomic Policy in Central and Eastern Europe" conference held in Krakow, Poland, October 1993, and at the Eastern Economic Association meetings in Boston, March 1994; "Intergenerational Transfers and the 'Demonstration Effect'," at the Southern Economic Meetings in New Orleans, LA, November 1993, at the University of Rochester, December 1993, and at the Population Association of America meetings in Miami, June 1994.

Don has received funded research support from the Research Committee of the World Bank for "Inter-Household Transfers in a Shortage Economy: The Case of Poland," with Wlodek Okrasa, Social Science Research Council, and Emmanuel Jimenez, The World Bank; "Private Safety Nets and Poverty in Pakistan," with Zek Eser, also funded by the World Bank; "The Role and Magnitude of the Private Safety Net During Transition: Private Interhousehold Transfers in Russia," and "The Role of the Family During Economic Transition: The Case of Vietnam," both research proposals funded by the World Bank; and "The Institution of the Family: Informal Networks and Economic Transition in the Eastern Bloc," research proposal funded by Institutional Reform and the Informal Sector (IRIS), University of Maryland.

Frank McLaughlin presented "Jane Jacobs' 'The

Economy of Cities': Content and Comment" at the "Jane Jacobs in Conversation" Conference held at Boston College in November. From January to March Frank taught in the Harvard Trade Union Fellows Program for the ninth consecutive year. He conducted a weekly class on economic analysis to the thirty fellows, representing labor unions from the United States, Australia, Canada, Japan, and South Africa.

Bob Murphy's publications include "The Relation Between a University's Football Record and the Size of Its Applicant Pool," with Greg Trandel, *Economics of Education Review* and "Exports and the Budget Deficit," an editorial page article, *Journal of Commerce*, September 22, 1993. Bob presented "An Analysis of the Effects of an Oil Discovery on the Macroeconomy of Colombia," with Richard S. Eckaus, at the World Bank Conference on Cusiana y la Economia Colombiana en los Anos Noventa, in Bogota, Colombia, July 1993. Bob has served as a member of the Committee of Examiners, Graduate Record Examination Economics Test, 1993-1994, and as a commentator for the local media. He lectured to a local high school class on Clintonomics and the Budget Deficit. In June Bob once again traveled to Belgium as a member of the European Experience, a course offered to undergraduates.

Joe Peek has written "Bank Regulation and the Credit Crunch," with Eric Rosengren, forthcoming in the *Journal of Banking and Finance* and "The Capital Crunch: Neither a Borrower Nor a Lender Be," also with Eric Rosengren and forthcoming in the *Journal of Money, Credit, and Banking*. In November 1993 Joe presented "Bank Regulation and the Credit Crunch" at the Seventh Annual Meetings of the Canadian Macroeconomics Study Group, Victoria, B.C., and at the Southern Economic Association Meetings, held in New Orleans, and in New Zealand in April 1994 at the University of Canterbury, Christchurch, and at the University of Otago.

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Joe Quinn's "Is Early Retirement a Threat to Our Economy?" appeared in *Generations*, Winter 1993. 1994 publications include "Capitalism and Wealth Creation," in *Wealth in Western Thought: The Case For and Against Riches*, Paul Schervish, editor, W.W. Norton, 1994; "Towards Pro-Work Policies and Programs for Older Americans," with Scott Bass and Richard Burkhauser, in *Active and Aging: Dimensions of Productive Engagement Among Older Americans*, Scott Bass, editor, Yale University Press; and "Retirement and the Labor Force Participation of the Elderly," with Richard Burkhauser, in *The Demography of Aging*, Linda Martin and Samuel Preston, editors, The National Academy Press. Joe presented "The Road to Retirement: the Importance of Part-Time Work in the Process of Labor Force Withdrawal" at the Association for Public Policy Analysis and Management annual meetings in Washington, DC, in October 1993. At the Gerontological Society of America annual meetings in November 1993 in New Orleans, Joe was a discussant at a session on "Americans Over 55 at Work"; he was also a discussant at a session on "Future Financing of Social Security, Medicare, Medicaid and Long-Term Care" at the Eastern Economics Association annual meetings held in Boston in March 1994. Joe served as a member of the National Academy on Aging's Advisory Panel on Retirement in the 21st Century in April 1994, and he participated as Rapporteur at the Population Resource Center's Workshop on Women and Aging in June 1994, both conferences held in Washington, DC.

Joe also served as a member of the Editorial Board of *Review of Income and Wealth*, the Governor's Council on Economic Growth and Technology, and the Executive Committee, Gordon Public Policy Center at Brandeis University. He chaired the National Academy of Social Insurance Dissertation Awards Committee, and was honored this April by the BC chapter of Alpha Sigma Nu as the AΣN *Teacher of the Year*.

Fabio Schiantarelli's "The Effect of Financial Liberalization on Firms' Capital Structure and Investment Decisions: Evidence from a Panel of Indonesian Manufacturing Establishments, 1981-1988," with J. Harris and M. Siregar, was published in *World Bank Economic Review*, January 1994. Forthcoming in 1994 are: "Investment Decisions and the Role of Debt, Liquid Assets, and Cash Flow: Evidence from Italian Panel Data," with M. Galeotti and F. Jaramillo, in *Applied Financial Economics*; "Stock Market Volatility and Investment: Do Only Fundamentals Matter?" in *Economica*; "Are Adjustment Costs for Labor Asymmetric? An Econometric Test on Panel Data for Italy," with F. Jaramillo and A. Sembenelli, in *Review of Economics and Statistics*; "Price and Output Adjustment in a Model with Inventories: Econometric Evidence for Categorical Survey Data," with J. McIntosh, J. Breslaw, and W. Low, in *Review of Economics and Statistics*; and "Corporate Tax, Investment and the Role of Tax Asymmetries: Evidence from Company Panel Data," in *Journal of Public Economics*; and "Corporate Tax, Investment and the Role of Tax Asymmetries: Evidence from Company Panel Data," with M. Devereux and M. Keene, in *Journal of Public Economics*.

Dick Tresch's Principles of Economics was published early in 1994 by West Publishing Company (and is available for classroom use: all educators please take note). Writing the book was a herculean task that demanded much from Dick, and he reassures us that he's once again in full control of his faculties! Dick wants all those Christmas party revelers to know that they won't have Dick Tresch's "any day now" book to kick around any more. After being nominated by BC, Dick was accepted by the Danforth Associates of New England, a branch of the Danforth Foundation that serves as "a forum for evaluating teaching and the teaching of values in the academic community." As we go to press, Dick is a nominee for Professor of the Year. He gets our votes!

Departmental Self-Study yields Recommendations for Change

The Department of Economics undertook a comprehensive self-study in 1993-94 as part of the systematic review of all departments in the College of Arts and Sciences. The resulting self-study document was presented as background to a visiting External Review Committee of Profs. Robert Solow (MIT), David Card (Princeton) and Walter Nicholson (Amherst) who met with faculty, students and administrators in a review of the department's strengths and weaknesses. Their final report, recently submitted, contains a number of recommendations for change.

Among the highlights of the self-study document was a careful assessment of departmental quality, which suggested that the department's national ranking had improved over the past decade. Published rankings place BC between 35th and 45th; if those studies were redone with current data, the ranking would probably be near the "top 30" borderline. Publishing strengths in labor economics and macroeconomics were evident, with lesser concentrations in international economics and econometrics. An analysis of the undergraduate program chronicled the sharp decline in economics enrollments and majors, which seemed to be more severe at BC than the

national trend, and reported on recent efforts to reinvigorate the economics Honors Program. The self-study also presented detailed information on the graduate program, highlighting the source and quality of applicants and the placement of completed Ph.D.s. Summary recommendations highlighted the need for one or two senior scholars—preferably with endowed chairs—as well as amelioration of the space constraints posed by a decrepit Carney Hall.

The visiting committee concluded that the department is "fundamentally healthy," and is "performing its teaching and research missions very well." They recommend that an additional senior scholar in the human resources area should be hired; that attempts be made to increase the attractiveness of the undergraduate economics major; and that graduate coursework should be limited to two years, with a return to two-semester theory sequences. They also strongly urged the administration to advance plans for improving departmental space. The reviewers endorsed the department's hopes of upgrading its status to the "top 30" circle. Chair Joe Quinn reports that planning committees to act upon these recommendations will be formed this fall.

SEMINARS GALORE!

Life used to be so simple. Remember the good old days of the RIP Seminar? That was *the* seminar. Those days have faded from the scene and once again this year it paid to keep a calendar handy. There were Micro Seminars, Macro Seminars, Applied Econometric Seminars and Brown Bag Seminars. Speakers came from far and near and seeking a quorum became the order of the day. Competition raged. Highlighting this year's events for the Macro contingent were Daron Acemoglu, M.I.T.; Nouriel Roubini, Yale University; Simon Gilchrist, Federal Reserve Board; David Wilcox, Federal Reserve Board; Steve Pische, M.I.T.; David Weill, Brown University; Roberto Perotti, Columbia University; Andres Velasco, New York University; Aaron Tornell, Harvard University; Sam Kortum, Boston University; Alberto Alesina, Harvard University; Dani Tsiddon, The Hebrew University of Jerusalem and Brown University; and Enrico Spolaore, Visiting Professor, Boston College. Micro Seminar

guestspeakers included Michael Kremer, M.I.T.; Robert Gregory, Australia National University; Mike Riordan, Boston University; and Ed Glaeser, Harvard University. The Brown Bag Bunch featured Chong-en Bai, Jim Anderson, Richard Arnott, Bob Murphy, Joe Peek, Fabio Schiantarelli, Marvin Kraus, Kit Baum and Don Cox.

BIRTHS

Production rates continue to soar as grads take their place in the mainstream of society. *Michael* (Ph.D. '92) and *Holly Allen* announced the birth of their first child, Christina Kathleen, on May 24, 1993; *Charles* (Ph.D. '89) and *Margaret Anderson* sent word of their son Christopher August's birth on July 24, 1993 (along with a nice picture); *John* (Ph.D. '91) and *Claire Griffin* sent a winsome poem to tell of *Norah*, their second daughter, born on December 22, 1993. *John* (Ph.D. '87) and *Helen O'Keefe* added a second son, Daniel Patrick, on March 28. He joins Sarah and Michael in residence. Spies tell us that *Michael* (Ph.D. '92) and *Robin Gallaher*

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New Ph.D.s meet with Job Market Success

There is joy in Mudville! While the newspapers have been writing about the scarcity of jobs for Ph.D.'s in several fields, BC economics Ph.D.s have fared well once again this year. *John Barkoulas* has accepted a one-year appointment at the University of West Virginia. *Basma Bekdache* will be going to Wayne State University in Detroit, where she has accepted a first-round tenure-track offer. Job-market angels must have been encircling Basma, because she limited her job search to Wayne State and Toledo. Why? A good question with a better answer: Basma's fiancée works in southeast Michigan and the two will be returning to Michigan after their August wedding in Beirut, Lebanon. A terrific opportunity opened up for *Wenjie Fan* who accepted a position in the Mortgage Research Department at Chase Manhattan. Wenjie moved to the Big Apple in February. *Jim Fetzer* will be fulfilling a one-year appointment at Suffolk University, close enough to BC to facilitate completion of his degree by early winter. Going home to Turkey will be *Alpay Filiztekin* who has accepted an offer from Koç University in Istanbul. Not only will Alpay receive a salary on a level with those paid in the United States, but the offer comes with an apartment that overlooks the Bosphorus. Our crystal ball reveals that many visitors are in Alpay's future. Moving across the United States to California will be *Xiaoqiang Hu* to take on tenure-track responsibilities at Claremont McKenna College, which Placement Director Frank Gollop styled as the "Oberlin of the West." (Well, at least Jim A. understood.) Xiaoqiang had a great time interviewing there, with three nights of wining and dining. It sounds great, but somehow unfamiliar! Traveling across the Hub to Huntington Avenue you will find *Mark Kazarosian*. Mark's one-year appointment to Northeastern's Business School has turned into a tenure-track position. Does

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Alumni News Notes

Brendan Walsh, Ph.D. '66, was listed among the finalists in a poll of UCD academics last fall for the post of president at University College Dublin. Although he didn't win, we would like to offer congratulations for being considered. Following a nationwide search, *Louis Esposito*, Ph.D. '68, has been appointed provost and vice chancellor for academic affairs at the University of Massachusetts-Boston. Louis has been a faculty member at UMass/Boston for the past twenty-seven years; his special interests lie in industrial organization and antitrust policy, areas in which he has widely published. After having served in many capacities at UMass/Boston and as acting dean since August 1992, he became the University's chief academic administrator when he assumed his new duties on June 6. Louis resides in North Easton, MA, with his wife Frances, and daughter Donna. *Shamim Shakur*, Ph.D. '88, is a visiting professor at Okanagan University, Kelowna, British Columbia, on leave from a tenured position at Massey University, Palmerston North, New Zealand. Shamim and his wife Shoma have two sons. *Selin Yalcindag*, Ph.D. '92, was married in Watertown, MA, in September 1993, and lives in Los Angeles where her husband is completing doctoral studies in mechanical engineering. After working at Raytheon for ten years, *Jim Sumrall*, Ph.D. '78, switched gears, leaving a career in economics to begin his own computer systems consulting company, Alphametrics Associates, Inc. Three years ago he moved to Arizona to work as a consultant for DEC on a project with Intel Corporation, which in turn has led Jim to a position with the Arizona Division of Computing Services, managing a large network. Finding that his economic training is a valuable tool in guiding his decision-making in the technological field, Jim writes that the leap from economics to technology is not as remote as it may seem. *Sister Beth Ann Tercek*, Ph.D. '94, has been promoted to Associate Professor at Notre Dame College of Ohio, where she is the only faculty member of the Department of Economics. She was nominated for *Who's Who Among America's Teachers* by one of her students, and her name appears in the 1994 edition. Some recent alumni publications include "Informa-

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New Ph.D.s... from p.10

this bring *Alison Kelly* to mind? You might recall from last year's edition that Alison had the same good fortune and is just a trolley ride away, continuing in a tenure-track position at Suffolk University in Boston. While *Olin Liu* had an attractive offer from the Frank Russell Company in Tacoma, Washington, her number one choice was the International Monetary Fund in Washington, DC. Olin was granted her wish and began working there in May. She reports that her first technical mission will be to one of the Pacific Island nations. It's a hard life! *Van Newby* will be working part-time at the Massachusetts Department of Revenue, allowing him the opportunity to complete his thesis in time for next year's market. *Gurkan Oguz* has secured a one-year appointment at Tufts University, where he will be teaching two courses each semester. Gurkan is the second BC student to work at Tufts; Mark Kazarosian was the first in 1992-1993 (a foot in the door?). *Dave Richardson* has accepted a one-year visiting position at Davidson College in Davidson, North Carolina. Some of you may remember *Clark Ross*, Ph.D. '76, who is chair of the Department of Economics there.

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tion Sharing in Credit Markets," by Marco Pagano and Tullio Jappelli (Ph.D. '88), *Journal of Finance*, Dec. 1993; "Risk-Based Capital Standards for Commercial Banks: Improved Capital-Adequacy Standards?" by John O'Keefe (Ph.D. '87), in *FDIC Banking Review*, Spring/Summer '93; and "Risk Measurement, Actuarially-Fair Deposit Insurance Premiums and the FDIC's Risk-Related Premium System" by coworker Gary Fissel (Ph.D. '88), in the Spring/Summer '94 issue.

One who often appears in this space is '87 Ph.D. *Mike French*. He reports that he was offered positions at both Brandeis' Heller School and Harvard (Medical School and School of Public Health); but with all that's going on with health care reform, Mike decided to stay with Research Triangle Institute and move to their Washington, DC office. He will also be teaching as adjunct faculty in Georgetown's Graduate School of Public Policy.

BC Tales

After a long absence, Frank McLaughlin re-emerged this year in his role of *seanachie*, an Irish storyteller. In February at a "Kitchen Racket" (an Irish party) held at Saint Benedict's parish hall in Somerville, he told the stories of *Oisín in Tir na Nog*, the son of Finn MacCool who traveled to the land of youth; *The Children of Lir*, the sea god whose children were transformed into swans; *The Legend of Knock Grafton*, the story about the man who had the hump on his back removed by the fairies; and *Cait an Ceol agus an Fear a Ti*, a tale about musical Kate and her husband. In June Frank made two visits to Saint Theresa's School in West Roxbury to entertain the children in the first and second grades with stories and poetry. Frank's vast repertoire and talent for storytelling far exceed the confines of the traditional classroom setting in which he educates so well.

Joe Peek's sojourns in New Zealand are taking their toll. We're talking cat and mice here. As triumphant basketball players prepared to traverse the tournament courts, the silent footfalls of insurrection raced through the corridors of Carney. When all was said and done, there was a new NCAA pool without Joe at the helm. Joe could only wipe his brow, relieved that it was a bloodless coup. Change comes hard, and for some of us the new rules proved to be too much to absorb. By the time we figured out what we were supposed to do to participate, the games were underway. Waiting for next year doesn't have to mean that you're a Red Sox fan.

Former faculty member *Manuel Sánchez* is deputy director of Financial Analysis and Investor Relations at Grupo Financiero Bancomer, a leading Mexican financial group. Manuel commented that he is living happily in Col. San Jerónimo, Mexico, with his wife Rosina and their two sons, Manuel, four years old, and Eduardo, who is two.

Births... from p.9

are the parents of a baby girl. *Michael* (Ph.D. '88) and *Donna MacDonald* welcomed *Caroline Prince* on June 22, and *P.J. Nigro* (Ph.D. '93) and *Mary Joyce* (Ph.D. '93) expect a special delivery in September. First-year Ph.D. student *Geoff Somes* and his wife, Lynne, had their first child, *Nathaniel Graham*, on May 22, 1994. We also heard that former faculty member *Scott Mayfield* and his wife Peggy became the proud parents of a second son, *Stephen Anderson*, on April 24, 1994. Stop the presses! *Rachel Ward Plaksa* and her husband J.P. happily announce the birth of *Benjamin Joseph Plaksa* on June 21, 1994.