

DECEMBER 2008

JHU Department of Economics Newsletter

Inside This Issue

- 1 Center for Financial Economics
- 2 New Faculty
- 3 Monster First Year Class
- 4 Graduate Student News
- 5 Alumni News
- 6 Goals for the Future

*Center for Financial
Economics is launched.*

Center for Financial Economics

The Department of Economics is a different place these days, and it's all for the better. The [Center for Financial Economics](#) was launched this fall with Jon Faust as Director. When it was not even a month old, the CFE sponsored a Panel on the Financial Crisis, which drew considerable attention from the Baltimore-Washington media. This fall also saw the dedication of the Carl Christ and Louis J. Maccini Professorships in the CFE. And it wouldn't be right to have endowed professorships without people to fill them! Jon Faust became the inaugural Louis J. Maccini Professor and Greg Duffee joined the department as the inaugural Carl Christ Professor. Greg comes from the Haas School of Business at the University of California at Berkeley.

Meet the New Faculty

As a recognized leader in the area of empirical asset pricing, the hiring of Greg Duffee would, in and of itself, have made for an excellent recruiting season. But he is just the tip of the 2008 [recruitment iceberg](#). Joining us from the University of Pennsylvania, Hülya Eraslan is one of the top young senior scholars in political economy, where she has made significant theoretical and empirical contributions. A multi-talented scholar, Hülya will contribute to our research groups in Applied Microeconomics, Theory, and the CFE. Coming from the International Monetary Fund, Olivier Jeanne is one of the leading international macroeconomists of his generation. Olivier has made major contributions related to exchange-rate volatility and fixed exchange rates during speculative attacks.

*Arrival of four
eminent scholars.*

And there is yet more. Coming from the Federal Reserve Board of Governors, Jonathan Wright has made seminal contributions in time-series econometrics and is one of the premier scholars at the nexus of macroeconomics and econometrics. The addition of these four eminent scholars catapults the department to greater heights in terms of research quality and visibility.

Monster First Year Class

As a former student of this department, you are probably particularly interested in the status of the graduate program. Well, it is bursting at the seams in both quantity and quality. This past year produced a landmark recruiting season for graduate students. With no change in our admissions strategy, the percentage of offers that were accepted was twice as high as the historical average. Instead of the typical class size of 12 to 15, the incoming class has 26 students! And the quality is superb. Our top candidate, who was awarded the Owen Fellowship, chose Hopkins, and a record-setting fraction of T. Rowe Price Fellowship offers were accepted. In short, our very best applicants were choosing to attend Hopkins at an unprecedented rate.

Percentage of offers accepted vastly exceeded the historical average.

What was the cause of this abnormally prosperous admissions yield? To address this question, we first sought to determine whether it was part of a broader phenomenon. After surveying the other top 20 programs, we found that none of them had an abnormally large class for 2008. So, was it just randomness? Or was it starting to catch on how good Hopkins has become? Of relevance to the latter hypothesis, the Chronicle of Higher Education ranked our department 4th in scholarly productivity in 2007; Hopkins was right between Yale and Princeton. A survey of our first year students revealed that almost all of them were aware of that ranking at the time they made their decision to come to Hopkins. I'll let you know what happens with this year's graduate admissions.

Chronicle of Higher Education ranked Hopkins 4th in scholarly productivity.

Graduate Student News

Our current graduate students have been very active presenting their research at professional conferences. In the past year, presentations have occurred at the NBER Summer Institute, Annual Meeting of the Population Association of America, Federal Reserve Board of Governors, International Industrial Organization Conference, Annual Meeting of the Canadian Economics Association, and La pietra-Mondragone Workshop in Florence. The La pietra-Mondragone Workshop invites top graduate students and matches them up with leading senior scholars from around the world. Only four universities had more than one student invited: Chicago, Minnesota, MIT, and, you guessed it, Hopkins.

*Graduate students
have been busy
attending conferences.*

Alumni News

Speaking of graduate students, let me take this opportunity to congratulate recent graduate Kevin Thom who joined the Department of Economics of New York University this year. If you haven't been following their recent faculty hires, NYU is now a top ten department. And if your institution is hiring, let me encourage you to go to our [job market web page](#). We have a large, diverse, and very high quality class.

There is also impressive news to deliver on less recent alumni. Paul Decker is now President and CEO of Mathematica Policy Research, Greg Hess is Dean of the Faculty of Claremont McKenna College, Brad Humphreys recently received the Chair in the Economics of Gaming at the University of Alberta, and Sarah Stafford is the Paul R. Verkuil Distinguished Associate Professor of Public Policy and Economics at the College of William & Mary. If you have some news to report, please share it with us by emailing Joe Harrington <joe.harrington@jhu.edu>.

*Hopkins alumnus is
named President of
Mathematica*

Some Goals for the Future

With the great strides in the size and quality of our faculty and the continuing climb in the quality of our graduate students, we are on a path back to the glory days when the department produced the likes of Nobel Prize recipients Robert Fogel and Merton Miller. But we still have a ways to go and we could use your help in getting there. Our graduate stipends continue to lag those of our peer institutions and this limits how effectively we can compete for

*We could use your help
in continuing
our progress.*

the very best students. We also want to provide summer research funds for our most productive and promising graduate students. I hope you can help us with this ambitious program by contributing to the Carl Christ Graduate Fellowship Fund. All of your donations will support our graduate students.

We hope to see you in San Francisco for the AEA Meetings where we will be hosting an alumni reception in Union Square 15 in the Hilton San Francisco from 6:00-8:00 pm on Saturday, January 3rd. In the meantime, our best wishes for the holiday season and the New Year.