



# Johns Hopkins University Department of Economics Newsletter

May 6, 2013

## GENERAL DEPARTMENT NEWS

The Economics Department at Johns Hopkins has been very active over the past year, with many developments among faculty and graduate students. Be sure to keep track of new developments on the department website. [www.econ.jhu.edu](http://www.econ.jhu.edu)

We welcomed in September, 2012, three new Assistant Professors. **Jorge Balat** arrived from Yale with a specialization in Industrial Organization and Econometrics. He taught a graduate course in Industrial Organization in Fall of 2012 and is teaching an undergraduate course in Econometrics in Spring, 2013. **Nick Papageorge** came from Washington University St. Louis with a specialization in health economics and labor economics. This semester, he is teaching an undergraduate course in Social Policy and Behavioral Economics and a graduate course in Topics in Applied Microeconometrics.

**Yuya Sasaki** arrived from Brown University with a specialization in microeconometrics. In the Fall, he taught the first-year graduate course in statistics and a second-year graduate course in Microeconometrics.

Sadly, we lost **Joe Harrington** to the Wharton School. Joe arrived at Johns Hopkins in 1984 and served as chair from 2007-2012. We wish him and his wife Diana well in their new location.

We will also lose **Lou Maccini**, the previous chair, next year as he is retiring from the

University this summer. Lou arrived at Johns Hopkins in 1969 and stayed here his entire career, for a total of 44 years. He was also one of the longest-serving department chairs, serving in that position from 1992-2007 and overseeing a considerable expansion of the faculty as well as the establishment of the Center for Financial Economics in the Department. He mentored dozens of graduate students over his time at Hopkins. His contributions to the profession and the Department have been immense. Those contributions were celebrated at a conference in his honor held here at Hopkins on December 7, with many of his professional colleagues, coauthors, former graduate students and family members in attendance. The attendees included Lou's thesis advisor, Nobel Laureate Dale Mortensen, as well as long-standing friends Alan Blinder, Frank Diebold, John Haltiwanger, and Adrian Pagan. The conference and the dinner were a memorable occasion. See photo of Lou and his grandson at the dinner. We extend our best wishes to Lou and his wife Carole in the new phase of their lives.

[www.facebook.com/louis.j.maccini/photos\\_stream](https://www.facebook.com/louis.j.maccini/photos_stream)



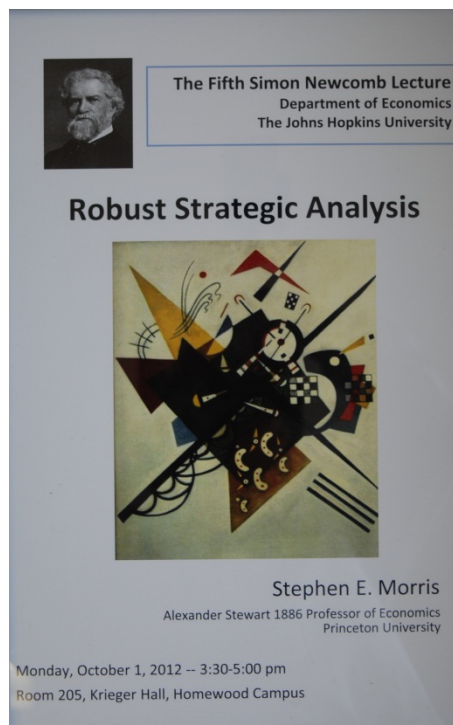
In other events in 2012, **Chris Carroll** delivered an informal lecture in March on "My Time as a Senior Economist for Macroeconomics with President Obama's Council of Economic Advisors," where he talked about the issues that came before the CEA during his appointment and how economic research combines with policy.

Professor Ed Gleaser of Harvard gave the annual Sumerlin Lecture in April on "The Triumph of the City," primarily based on his widely-noted and recently published book of the same name. Those who attended the January 2013 ASSA meetings may have attended his Ely Lecture as well, where he noted that housing speculation has been

with us for two centuries and has contributed to many past financial crises.

Last May, Nobel Laureate Amartya Sen visited Johns Hopkins and gave a Keynote address at the Provost's Symposium on the Social Determinants of Health, attended by almost 200 faculty and students from around the university, including many from economics (and his old friend, **Ali Khan** of our department.) Sen made the provocative suggestion that statist economies such as China have been doing better in social investments in health than many democracies.

In October, Stephen Morris (Princeton) gave the annual Simon Newcomb Lecturer here at Hopkins. His topic was "Robust Strategic Analysis." **Ali Khan** was responsible for a poster advertising the event (featuring the work of Kandinsky) which gathered considerable notice and now hangs outside the Dean's office along with other notable posters.



The Fifth Simon Newcomb Lecture  
Department of Economics  
The Johns Hopkins University

**Robust Strategic Analysis**

Stephen E. Morris  
Alexander Stewart 1886 Professor of Economics  
Princeton University

Monday, October 1, 2012 -- 3:30-5:00 pm  
Room 205, Krieger Hall, Homewood Campus

The Department was well represented at the AEA Meetings in January, 2013 in San Diego. Among the faculty, **Chris Carroll**, **Greg Duffee**, **Hulya Eraslan**, **Yingyao Hu**, **Olivier Jeanne**, **Robert Moffitt**, and **Jonathan Wright** were on the program. The traditional cocktail party and reception also drew a number of current and former graduate

students and faculty. We will be having another in January, 2014 in Philadelphia. Mark it on your calendars.

We enjoyed this spring's Richard T. Ely Lectures as well. This spring, they were delivered by Professor Matthew Rabin of Berkeley, a leading behavioral economics theorist. He joined the list of distinguished Ely Lecturers in the past. <http://econ.jhu.edu/research-programs/ely-lectures/>. The 2013-2014 Ely Lecturer will be Professor Charles Manski of Northwestern University.

The Center for Financial Economics (CFE) continues to support teaching and research at the intersection of macroeconomics and finance. The director, **Jon Faust**, is on public service leave as special adviser to Federal Reserve Chairman Ben Bernanke, and **Jonathan Wright** is standing in as acting director. The minor in financial economics continues to expand, and the job placement record of graduates in this minor has been outstanding. Thanks to generous financial support from alumni, we have been able to get 12 Bloomberg licenses, which has allowed Bloomberg to be integrated into undergraduate classes, as well as being useful for graduate students and faculty research. **Bob Barbera**, Nicolas Jabko (in the political science department), **Olivier Jeanne** and **Jonathan Wright** have discussed and written about the euro area crisis, including a piece in the most recent Arts and Sciences magazine.

<http://econ.jhu.edu/2013/03/johns-hopkins-magazine-article-on-center-for-financial-economics/>

The CFE is actively fundraising with the aim of recruiting new faculty and offering a major in financial economics.

#### FACULTY NEWS

The faculty have been active in research, presentations, and public service over the past year.

**Larry Ball** continues to serve as a Visiting Scholar in the IMF Research Department as well as serving on the Advisory Board of Economic Research Forum in Turkey. He presented the keynote address at the annual conference of the European Economic and Finance Society. You may have seen his name mentioned in the media and blogs by Paul Krugman, Christine Romer, and Brad DeLong for his NBER Working Paper "Ben Bernanke and the Zero Bound," where he noted Chairman Bernanke's change of

position on monetary policy from his academic career to his Fed career, attributing the change to the psychological phenomenon of Groupthink. DeLong called it the "read of the year."

**Chris Carroll** was the keynote speaker at the conference "Microeconomic Behavior and Its Macroeconomic Implications during the Financial Crisis" at the Hungarian National Bank in July. At the Computing in Economics and Finance conference in Prague in July, he gave a special pre-conference lecture on "Structural Estimation of Dynamic Stochastic Optimizing Intertemporal Choice Microeconomic Models for Dummies." He also spoke at an Academic Consultants' meeting of the Board of Governors of the Federal Reserve on "Implications of Wealth Heterogeneity for Macroeconomics" and gave the Kennedy Lecture at Sewanee University on "Why Do the Rich Save So Much?"

**Greg Duffee**, the Carl Christ Professor of Economics, has been active in conferences and speaking engagements. As of January, 2013, he is on public service leave to serve as an Executive Fellow in the new Office of Financial Research's Fellowship Program at the Department of the Treasury.

**Hulya Eraslan** has been named an Associate Editor for the International Economic Review. She is also continuing as an Associate Editor of Social Choice and Welfare.

**Jon Faust**, the Louis J. Maccini Professor and Director of our new Center for Financial Economics, is in the second year of public service leave as a Special advisor to the Chairman of the Federal Reserve, Ben Bernanke, providing Bernanke with particular assistance on international finance issues.

**Mark Gersovitz** is continuing his work on infectious diseases and on the combination of economics and mathematical epidemiology for the control of those diseases, and has presented his work at the America Mathematical Society as well as at other venues.

**Yingyao Hu** is continuing his busy seminar presentation schedule as well as continuing to publish papers on measurement error and related models with Susanne Schennach, former JHU colleague Matt Shum, Arthur Lewbel, and Geert Ridder. He completed a term on the Economics Panel at the National Science Foundation and has been named an Associate Editor at the Journal of Econometrics.

**Olivier Jeanne's** work in international macro has led to invited speaking engagements in Seoul, Lucerne, Oslo, and Paris. He has not yet invited the rest of us to tag along.

**Edi Karni** was a plenary speaker at FUR XV: Foundations and Applications of Utility, Risk and Decision Theory, Georgia State University in June, and at the Game Theory festival, SUNY Stony Brook in July. On both occasions, the subject of his presentation was "Reverse Bayesianism: A Choice-Based Theory of Growing Awareness," joint work with Marie-Louise Viero of Queens University.

**Ali Khan**, like Olivier Jeanne, continues his worldwide speaking tour with engagements in Rio de Janeiro, Shanghai, and Colombo, Sri Lanka. He also delivered the Gustav Ranis Memorial Lecture in November in Islamabad (about 40 miles from where he went to school).

**Elena Krasnokutskaya** traveled to Cyprus to attend the meetings of the Society of Economics Dynamics. She finished an NSF award with Petra Todd on the Chilean pension system and continues to work with former JHU faculty member Przemek Jezierski on several projects.

**Lou Maccini** has not let his prospective retirement slow him down, having given a plenary address in Budapest in August at a Symposium of the International Society of Inventory Research, for which he also served as its President from 2010 to 2012. He also served on an external review committee for the Department of Economics at Boston College.

**Robert Moffitt** was elected to the American Academy of Arts and Sciences this year and has been elected President of the Population Association of America. He also chairs the American Economic Association Committee on Government Relations. He assumed the chairmanship of the Department on July 1, 2012.

**Jonathan Wright** continues to serve as Active Director of the Center for Financial Economics in the department. He has recently been appointed co-organizer of the "Forecasting & Empirical Methods in Macro & Finance" workshop at the NBER Summer Institute, and he is ending his term as a Coeditor of the Journal of Business and Economics Statistics.

Among the Emeritus faculty, **Carl Christ** was awarded the Heritage Award by the Hopkins Alumni Association last spring for

"outstanding service to the progress of the University over an extended period of time."

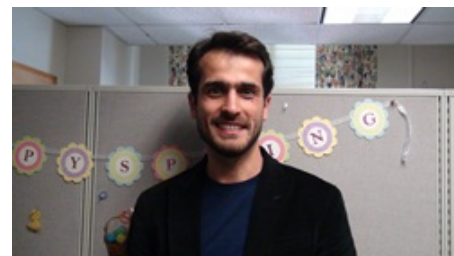
The department has been fortunate to have a number of visitors in 2012 and into 2013. These include Ying Chen (Arizona State), Nobusumi Sagara (Hosei), and Andrew Sweeting (Duke). Long-time adjunct lecturer Bob Barbera is stepping up his involvement with the Department, starting as a CFE Fellow and Co-Director of the Center for Financial Economics with the spring 2013 term.

### GRADUATE STUDENT NEWS

Graduate student activity this year has been robust. One major development has been the increasing formation of informal reading groups around particular topics. The groups consist primarily of advanced graduate students plus faculty members in the area, and meet periodically to read and discuss papers. We now have four such groups: labor, industrial organization, theory, and macro and finance. These groups are popular because they allow graduate students to continue to meet and discuss papers in their area even after coursework has been completed.

As noted in previous newsletters, the Department has several funded awards to honor some of our most accomplished graduate students. The Eugenio and Patricia Castillo Award is given to the student who displayed the best performance in their first two years in the graduate program. The 2012-2013 recipient was Liuchun Deng.

The Professor Joel Dean Undergraduate teaching Award was established in 2009 to recognize graduate students who exhibited extraordinary performance in teaching Hopkins Undergraduates. This award was creatively conceived by Professor Dean's son Joel and his wife Monia. Professor Dean received his Ph.D. in Economics from the University of Chicago in 1936 and was a pioneer in applying economics to business decision-making. The 2012-2013 recipients were Ryan Bush, Blair Chapman, Prathi Seneviratne, and Metin Uyanik. Ryan was recognized for his performance in Econometrics; Blair, for Economic Forecasting; Prathi, for her new course Memorandums of Misunderstanding; and Metin, for Intermediate Microeconomic Theory.



The Bruce Hamilton Research Seminar Award is given to the advanced graduate student who has demonstrated the best performance in one of the department's research workshops. Again, funded by Eugenio and Patricia Castillo, it is named in honor of Professor Emeritus Bruce Hamilton who was well-known for his insightful and clever comments at seminars. This spring's award went to Leyla Karakas for her exceptional remarks, comments, and questions at our workshops.

Hearty congratulations to all these graduate students, who exemplify the best of the Johns Hopkins graduate program.



Seven students successfully defended their dissertations in oral examinations in 2012 and thereby earned their Ph.D.s. These were Kue Peng Chuah, Daniel Barth, James Lake, Maia Linask, Jon Samuels, Rodrigo Sekkel, and Weifeng Wu. Some pictures of the students and their exam committees are attached. This is visual proof that it is possible to get out.



Seven students are also on the job market this year. They include Colleen Carey, Michele Mazzoleni, Prathi Seneviratne, Matthew White, Xiaochen Xu, Wei Zhao, and Yizhen Zhao. We wish them well. Our students on the market last year placed at Hamilton College (Daniel Barth), Southern

Methodist University (James Lake), DePaul University (Brian Phelan), the Bureau of Economic Analysis (Jon Samuels), the Bank of Canada (Rodrigo Sekkel), and Fannie Mae (Weifeng Wu). We wish them the best in their future careers.

We also welcomed 11 new students to the graduate program last September. They hailed from the U.S. and 6 other countries. A welcome reception in the fall drew large numbers of faculty and other graduate students to welcome them to the department. Photos from the reception can be found here:

<http://econ.jhu.edu/2012/09/the-department-of-economics-welcomes-new-doctoral-students-2/>



## ALUMNI NEWS

**Yonatan Ben-Shalom** (Ph.D., 2010) continues to work at Mathematica Policy Research on disability issues. He and his wife had a baby boy, Zeve Russell Ben-Shalom, last June. Mazel Tov!

**Mary Burke** (Ph.D., 1998) published an article, "Classroom Peer Effects and Student Achievement," co-authored with Tim Sass, in the January 2013 issue of *Journal of Labor Economics*. She also had a baby boy, Marco, last March.

**Jiawei Chen** (Ph.D., 2005) received tenure in the Economics Department at University of California Irvine this year.

**Berna Demiralp** (Ph.D., 2006) worked for some time at Optimal Solutions Group in the Washington DC area but has recently gone

into her own consulting business for policy research and analysis.

**Emmanuel (Manu) de Vierman** (Ph.D., 2008) moved to the Research Department of De Nederlandsche Bank, the central bank of the Netherlands, in July.

**Paul Decker** (Ph.D., 1988) continues to serve as President and CEO of Mathematica Policy Research. He was also elected President of the Association of Public Policy Analysis and Management last year and organized the annual November meetings in Baltimore.

**Carolina Diaz-Bonilla** (Ph.D., 2005) coauthored a chapter in November in the 1<sup>st</sup> edition of the Handbook of Computer General Equilibrium Modeling entitled "MAMS—A Computable General Equilibrium Model for Developing Country Strategy Analysis." She will also be teaching a CGE Modeling course this spring in the Hopkins Applied Economics Program in Washington.

**Stuart Greenbaum** (Ph.D., 1965) is now the Former Dean and Bank of America Emeritus Professor of Management Leadership but still teaches minimally at Olin and Kellogg. He also does a modest amount of research on Risk Management and Corporate Governance and serves on two boards and does consulting. He would love to hear from some of his Hopkins contemporaries.

**Daniel Gubits** (Ph.D., 2008) reports nuptial news, having married Sarah Hillegass in April.

**Susanne James-Burdumy** (Ph.D., 1999) was recently promoted to an Education Area Leader at Mathematica Policy Research, so she now oversees all education work at Mathematics. She also published two journal articles in the past year based on studies conducted for the U.S. Department of Education. The first (in the *Journal of Research on Educational Effectiveness*) presented findings from a random assignment study of 4 reading comprehension curricula and the second (in the *Journal of Adolescent Health*) presented findings from a random assignment study of a mandatory random drug testing program for high school students.

**Daniel Leigh** (Ph.D., 2004) wrote a paper with Olivier Blanchard that he presented at the AEA meetings and got a lot of press, with Paul Krugman writing: "Of the papers presented at this meeting, probably the biggest flash came from one by Olivier Blanchard and Daniel Leigh of the International Monetary Fund...the paper has been widely taken as a sign that the fund has

had a major rethinking of economic policy.”

See link to article:

<http://www.nytimes.com/2013/01/07/opinion/krugman-the-big-fail.html>. In a nutshell, the paper finds that fiscal multipliers in advanced economies have in recent years been significantly greater than forecasters expected. Link to the paper is:

[www.imf.org/external/pubs/ft/wp/2013/wp1301.pdf](http://www.imf.org/external/pubs/ft/wp/2013/wp1301.pdf).

Daniel and his wife, Julia, whom he met at Hopkins and is also at the Fund, have had two girls (Maya and Dina).

**Ning Ma** (Ph.D., 2011) is still at Fannie Mae but is working from Tennessee. She was promoted to Senior Economist last year.

**Molly Macauley** (Ph.D., 1983) delivered the Carolyn and Edward Wenk, Jr Lecture in Technology and Public Policy on Friday, April 27, on the Homewood campus. Her talk was entitled “Forever Ours: Technology, Economics and Institutions for Managing Long-Lived Environmental Problems.”

**Andrea Maneschi** (Ph.D., 1964) is taking early retirement next August from being Professor of Economics at Vanderbilt University since 1969. He notes that his doctoral degree from Hopkins was in “Political Economy”, a title he was glad to attach to his degree since he spend many years at Vanderbilt teaching and doing research in the history of economic thought, in which the term “political economy” features prominently.

**Marc Nerlove** (Ph.D., 1956) was made a Distinguished University Professor at the October 2012 Convocation of the University of Maryland, which is the highest academic honor the University can bestow on one of its own faculty members.

He was also elected Distinguished Fellow of the American Economic Association last year and was awarded the honor at the San Diego meetings by AEA President-Elect Claudia Goldin.



**Ugo Panizza** (Ph.D., 1997) left his UN job and went back to academia as the Pictet Professor in Finance and Development at the Graduate Institute, Geneva.

**Fabian Valencia** (Ph.D., 2006) published two papers this year, one at JMCB and one at JIMF. He co-edited a book on Financial Crisis (IMF press, forthcoming) with contributions from leading academics in the field, including Carmen Reinhart, Ken Rogoff, Alan Taylor, and Jose De Gregorio. Also, since August 2012, IDEAS ranks him #1 among young economist (5 years or less) ([http://ideas.repec.org/top/top\\_young.html](http://ideas.repec.org/top/top_young.html)).

**Min Zhu** (Ph.D., 1996) has joined the Advisory Board of the Center for Financial Economics in the Hopkins Economics Department. Min is Deputy Managing Director at the IMF.

## STAFF NEWS

Our superb office staff—Donna Althoff, Karen Allen, Maggie Potts, and IT Administrator Nina Agopian—are serving the department well. They were all a little tired on the Monday after the Superbowl—having stayed up late the night before celebrating the victory of the Baltimore Ravens.

Donna, our long-standing department administrator, began her 29<sup>th</sup> year with the Department in January, quite amazing for putting up with the faculty for that long. She will also become a great-grandmother in June. She is also very proud of her son, who was promoted to Captain in the Baltimore City Fire Department in July.

## A NOTE OF APPRECIATION

Finally, I would like to thank those graduate alumni of the Department who have generously made gifts in the last year. They include Jacques Miniane, Julie Hudson and Steve Holden, Wilhelmina Leigh, and Takashi Senda. These donations go directly to graduate student support, for Research Assistant supplements, lunches for the graduate student reading groups, and related activities. Please consider a gift, which you can make by going to JHU Giving (<http://krieger.jhu.edu/giving>) and designating that your gift go to the Department of Economics of the Krieger School of Arts and Sciences. If you choose to contribute online, please put “KSAS-Dept of Economics” in the Other field in the online form.

**Robert Moffitt, Chair**