



Department of Economics Newsletter

May 2015

GENERAL DEPARTMENT NEWS

The Economics Department at Johns Hopkins has had another busy year with multiple events and many developments among the faculty and graduate students. This Newsletter will cover many of them but feel free to keep track of all developments as they happen on the department website, <http://www.econ.jhu.edu/>.

We welcomed Assistant Professor **Ying Chen** to the Department in September. Ying specializes in Economic Theory and comes from Southampton and Arizona State and received her Ph.D. from Yale. Ying is teaching graduate and undergraduate courses in micro theory.

We are also happy to report that Dr. **Robert Barbera**, a graduate alumnus from our Department, has continued his stepped up role in the Department this year, continuing to teach introductory Macroeconomics as well as Economic Forecasting, and serving as a Fellow of our Center for Financial Economics.

We welcomed back **Jon Faust** in September, our Louis J. Maccini Professor of Economics, from government service. Jon concluded his two year leave to the Federal Reserve Board, having served as a Special Advisor to Ben Bernanke, reassuming the Directorship of our Center for Financial Economics. He has been interviewed by the National Press and quoted regularly in macroeconomic issues since his return.

At the same time, **Chris Carroll** has continued his leave this academic year as the Assistant Director and Chief Economist for the Office of Research of the Consumer Financial Protection Bureau. Chris will return to the Department this next September.

I am also happy to report that **Professor John Quah**, currently of Oxford University, will be joining the Department in January,

2016. Professor Quah is an economic theorist with many major works to his credit and is an outstanding addition to the Department.

The Department was well represented at the AEA Meetings in January, 2015 in Boston. Among the faculty, **Chris Carroll, Olivier Jeanne, Ali Khan, Anton Korinek, Robert Moffitt, Nick Papageorge, and Yuya Sasaki** 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, 2016 in San Francisco. Mark it on your calendars.

Our annual Richard T. Ely Lecture this year was given by **John Geanakoplos** (photo below) from Yale University, who gave four stimulating lectures on "Collateral and Default: Booms and Busts." Professor Geanakoplos's week with us was filled with discussions of macro policy and finance, meetings with faculty and students, and several lunches and dinners. The slides from his lectures as well as a reading list can be found at <http://econ.jhu.edu/research/ely-lectures/richard-ely-distinguished-lecture-series-2014-2015/>.



Poster for the Richard Ely Distinguished Lecture Series 2014-2015:



We look forward to the Spring 2016 Ely Lectures as well, which will be given by Professor Robert Porter of Northwestern University.

We had several visitors this academic year who enlivened the Department. Professor **Jean Guillaume Forand** from the University of Waterloo, **Dr. Illeen Kondo** from the Federal Reserve Board, and Professor **Jan Zapal** of CERGE-EI all spent time with us. **Dr. Jeremy Nalewaik** of the Federal Reserve will also be spending the upcoming summer in the Department.

FACULTY NEWS

Jorge Balat continues his work on auction models and production functions and presented his work at several universities and conferences this year, both in the U.S. and abroad. Last summer he visited the Central Bank in Columbia to head up an electricity auctions project, and he returned in December to give a short course on empirical auctions. In March, he co-organized the Washington DC Industrial Organization

conference. He is on leave at Stanford this Spring.

Larry Ball continues to serve as a Visiting Scholar in the IMF Research Department as well as serving on the Advisory Board of the Economic Research Forum in Turkey. He was a co-organizer of an NBER Central Bank of Turkey Conference on Monetary Policy in Emerging Economies in Istanbul in June. He also gave the Werner Sichel Lecture at the Upjohn Employment Institute and Western Michigan University in October. His paper on how the Federal Reserve could do more to reverse inflation was published by the [Center for Budget and Policy Priorities](#)

Ying Chen coauthored a paper, "Mandatory vs Discretionary Spending: The Status Quo Effect" in the October 2014 issue of the *American Economic Review*. Professor Chen has made several presentations at seminars and conferences over the past year.

Carl Christ, Professor Emeritus, and his wife Phyllis, who live close to campus, continue to participate in many activities of the Department. Carl is a valuable link to the many graduate alumni in our department.

Greg Duffee, the Carl Christ Professor of Economics, was the keynote speaker in September at the European Central Bank workshop on "Understanding the Yield Curve: What Has Changed Since the Crisis?" In October and November, he gave seminars and tutorials at the Norwegian Business School, the Stockholm School of Economics, and Inquire Europe.

Bruce Hamilton, Professor Emeritus in the Department, continues to teach his popular undergraduate course in Antitrust as well as the major Principles of Microeconomics course. He also serves as the Director of Undergraduate Studies.

Yingyao Hu has been named an Associate Editor of The Econometrics Journal for a three-year term. He served as Co-Editor of a special issue of the *Journal of Econometrics* on measurement error. He is a member of the Scientific Committee of the International Symposium on Econometric Theory and Applications.

Olivier Jeanne is spending the year as Resident Scholar in the Research Department of the International Monetary Fund. He gave the keynote address for a conference at the European University Institute of Florence in September. The address was on macroprudential policy and was coauthored with his colleague in the department, **Anton Korinek**.

Edi Karni, the Scott and Barbara Black Professor of Economics, has been doing research on unawareness. He gave a lecture on this topic at Tel-Aviv University in January.

Ali Khan, the Abram Hutzler Professor of Political Economy, continues his research on mathematical economics and has published several papers this year as well as having others forthcoming. The memorable conference in his honor last May still resonates in the Department.

Anton Korinek spent the Fall 2014 semester advancing his research on macroprudential regulation. He traveled to a number of seminars and conferences and gave a short course on "International Capital Market Integration: Managing Benefits and Costs" to 15 East and Southeast Asian central banks in Kuala Lumpur. He is also the happy father of Elise Korinek, born April 20, 2015 at 10:11 pm.

Elena Krasnokutskaya has given several talks at seminars and conferences on issues in industrial organization and applied microeconomics.

Lou Maccini, Professor Emeritus, lives in Ann Arbor with his wife Carol and makes the occasional visit back to the Department. Lou gave a Plenary Address on a joint work, "Inventories and the American Market for New Automobiles: Some Results" at the 18th Symposium of the International Society for Inventory Research in Budapest last August. He is still active in scholarly research, having just published a paper in the *Journal of Economic Dynamics and Control* and with two other projects underway.

Robert Moffitt, the Krieger-Eisenhower Professor of Economics, organized a conference in December at the NBER on "Means-Tested Transfers in the United States" and he will edit the conference volume to be published in 2016. He gave an Invited Lecture on a related topic at the Andrew Young School of Public Policy at Georgia State University in October. He visited the Institute for Labor Economics in Bonn for a week in March and gave a lecture at Erasmus University as part of the trip.

Barbara Morgan is working with faculty in Sociology and Political Science on a new social policy program for undergraduates involving an interdisciplinary introductory course to social policy and intensive semesters with internships in Baltimore and Washington. She is also a frequent commentator on inequality issues on WYPR's Middy program with Dan Rodricks.

Nick Papageorge was on leave in the Fall and he visited both Hong Kong and London. He gave several presentations to universities in both locations during his visit.

Yuya Sasaki is on leave at Yale this Spring. Last summer he gave a talk at Hosei University and made a presentation at the 2014 International Panel Data Conference. He has given several other seminars during the academic year.

Richard Spady published a coauthored book called *The American Political Landscape* which has been called a "must-read" in book reviews.

Yuya Takahashi continues to do research on estimation of dynamic games and price determination in intermediate goods markets. He gave a talk at the Helsinki Center of Economic Research in November.

Jonathan Wright is on leave in the Spring at the University of Pennsylvania. He presented a paper called "Forecasting with Model Uncertainty: Representations and Risk Reduction" at two conferences, one as an Invited Lecture and one as a conference keynote address. In March, he wrote a Brookings post on seasonal adjustment which can be found at: <http://www.brookings.edu/blogs/jobs/posts/2015/03/06-adjusted-unemployment-wright>

Larry Ball, **Olivier Jeanne**, **Anton Korinek** and **Jonathan Wright** spoke at the International Monetary Fund Annual Research Conference last November.

GRADUATE STUDENT NEWS

The Department welcomed 10 incoming first-year students in September with a party which faculty and other graduate students attended. A photo gallery from the party is available at:

<http://econ.jhu.edu/2014/10/13/new-doctoral-students-welcome-party/>



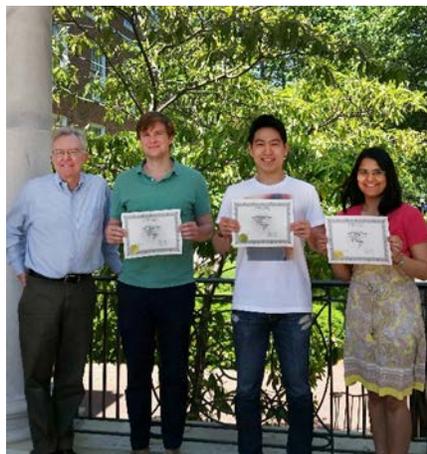
We will welcome 14 new students next Fall as well. A new and revised Math Camp for them will again be taught next August by graduate student **Metin Uyanik**.

Graduate student activity this year continues to be extensive. Informal reading groups consisting primarily of advanced graduate students plus faculty members met periodically to read and discuss papers in labor economics, industrial organization, theory, 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 2014-2015 recipient was **Jianhui Li**.

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

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 2014-2015 recipients are **Ryan Bush, Parul Gupta, and Yeabin Moon**.

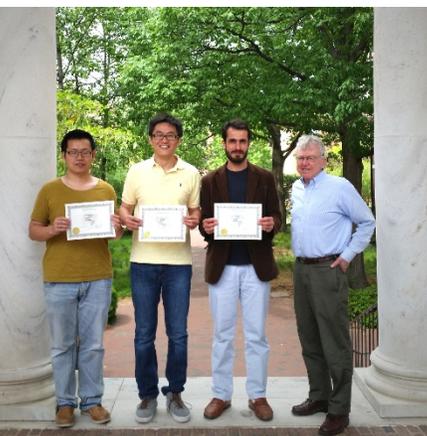


Above: Photo of Ryan Bush, Yeabin Moon, and Parul Gupta, with Chair.

We were able to make two new graduate student awards this year as well, both for excellence in graduate student performance. The Ella E. Slack Award went to **Shaiza Qayyum** and the Clarence M. Guggenheimer Award went to **Chang Ma**.

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

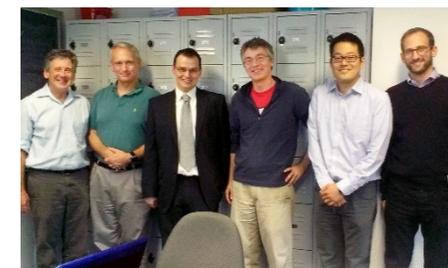
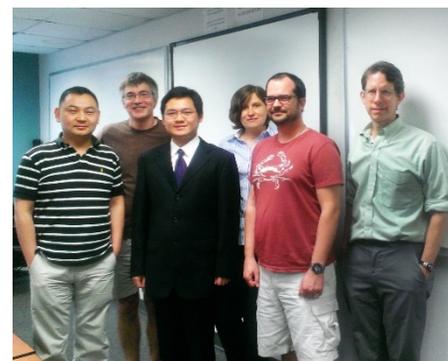
Eleven students successfully defended their dissertations in oral examinations since our last Newsletter. They are **Natsuki Arai, Lucia Tiererova, Leyla Karakas, Weining Bao, Blair Chapman, Yoichi Goto, Christopher Martin, Collin Rabe, Hou Wang, Xi Yang, and Jiae Yoo**. A few pictures of the students and their examining committees are shown below.



Above: Photo of Jianhui Li, Chang Ma, and Metin Uyanik, with Chair.

honor of Professor Emeritus Bruce Hamilton who was well-known for his insightful and clever comments at seminars. This Spring's award went to **Metin Uyanik** for his remarks, comments, and questions at our workshops.

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



This is visual proof that it is possible to successfully complete a dissertation.

The Department had six students on the job market this year, including **Marco Cornia, Emek Karaca, Gizem Kosar, Ellen Li, Hai Nguyen, and Gwyn Pauley**. They have accepted positions throughout the country and around the world – Ernst and Young, JP Morgan Chase, the New York Federal Reserve Board, Competition Economics, the Chinese University of Hong Kong, and the University of Southern California. We wish them the best in their future careers.

Many of our other graduate students had notable activities this academic year. **Gizem Kosar** was one of 16 Ph.D. students selected to attend the Western Economic Association

International's 2014 Graduate Student Dissertation Workshop last June in Denver. She also presented papers at Rice University and the Philadelphia Federal Reserve Board this year. **Ellen Li** attended the Fifth Biennial Conference of the American Society of Health Economists, where she presented a poster and served as a discussant. **Shujaat Khan** published a paper in the *Journal of Economic Dynamics and Control* entitled "Drifting Inflation Targets and Monetary Stagflation." **Boqun Wang** presented a joint paper at the 2015 CES North America Conference which won the Gregory Chow Best Paper Award. Boqun was also a summer intern at the Africa Department of the IMF. **Sevcan Yesiltas** attended NBER conferences last summer in Boston and Istanbul, and presented a coauthored paper at a conference in Izmir last September sponsored by the ECB and the Central Bank of Turkey.

Last but certainly not least, **Natsuki Arai** and his wife, An-Chi, welcomed their daughter, Katy, last August. **Alanna Bjorklund** and her husband celebrated the birth of their daughter, Ellery, in October. **Jianhui Li** and his wife Rong Zhou celebrated the birth of their baby girl, Ziyang Li, in November. Just this spring, **Liuchun Deng** and his wife, Chang Liu, welcomed their baby boy, Boyang, in April.

Several students attended the January 2015 meetings of the AEA in Boston and came to the Departmental Reception.

ALUMNI NEWS

Alena Bicakova (Ph.D., 2006) has published a revised version of her dissertation, "The Trade-Off Between Unemployment and Wage Inequality Revisited," in the *Oxford Economic Papers*. Her second daughter, Dominika, was born August 3, 2014.

Brock Blomberg (Ph.D., 1995) has recently been named the 17th President of Ursinus College, leaving his position as Dean of the Robert Day School of Economics and Finance at Claremont McKenna. A full announcement can be found at: <https://www.ursinus.edu/live/news/954-economist-brock-blomberg-is-17th-president>.

Silvio Contessi (Ph.D., 2007) will be leaving the St. Louis Fed this June and starting a new job in the Finance department of Monash Business School in Melbourne,

Australia in August. He will be based in the Caulfield campus in Melbourne but also involved in the activity of the Prato campus in Italy. He continues to coauthor with JHU alumni **Johanna Francis**, **Pierangelo De Pace**, **Francesca De Nicola**, and **Kadee Russ**.

Michael Fratantoni (Ph.D., 1995) was recently promoted to Chief Economist at the Mortgage Bankers Association.

Frank Gunter (Ph.D., 1986) was promoted to Professor at Leigh University last August. His book "*The Political Economy of Iraq: Restoring Balance in a Post-Conflict Society* (Edward Elgar, 2013) was published in January, 2014 and was selected as one of the "outstanding academic title, 2013" by *Choice Magazine*.

Nicholas Hill (Ph.D., 2006) has moved from the FTC to the Antitrust Division of the Department of Justice, where he is now Assistant Section Chief.

John Hartwick (Ph.D., 1969) has completed his undergraduate textbook in urban economics for Routledge. He remembers well his graduate course in urban taught by Edwin Mills. John is also completing the introductory essay to a volume of great articles on national accounting for Edward Elgar.

Julie Hudson (Ph.D., 2000), still working at the Agency for Healthcare Research and Quality, has been conducting research on the CHIP program. Some of her research on the program was used by Congress in the program's reauthorization this Spring.

Susanne James-Burdumy (Ph.D., 1999) is still a Senior Fellow at Mathematica Policy Research but also now Area Leader for education research. She is currently directing two large evaluations for the U.S. Department of Education, one focused on evaluating the Race to the Top and School Improvement Grant programs and the other focused on evaluating a professional development program for principals. In the past year, Susie coauthored 3 journal articles presenting findings from a recently-completed evaluation of Playworks, a program designed to provide opportunities for organized play and physical activity during recess in low-income schools.

Kai Liu (Ph.D., 2011) is moving from the Norwegian School of Economics to the University of Cambridge, where he will take up a position as Lecturer.

Marc Remer (Ph.D., 2010) is moving from the Antitrust Division of the Department of Justice to a faculty position at Swarthmore.

André Sapir (Ph.D., 1977) retired as Full Professor at the Université Libre de Bruxelles (ULB) last September and was appointed as University Professor there. A large retirement event was organized which was attended by many friends and colleagues, including two JHU graduates, **Jaime de Melo** and **Paul De Grauwe**. The program and videos of the event can be viewed at the following address

http://ecares.org/index.php?option=com_events&task=view_detail&agid=1025&year=2014&month=10&day=3&Itemid=306. He continues to teach part time at the Solvay Brussels School of Economics and Management and at the Institute for European Studies, both affiliated with ULB. He also remains Senior Fellow at Bruegel, the Brussels-based European think tank. In addition, in April 2015 he was appointed Chair of the High Level Expert Group on the Future of the Belgian Financial Sector by the Belgian Finance Minister.

Fabián Valencia (Ph.D., 2006) and his wife Katrina had their first baby last year, Luca Valencia, who turned one-year old this May. Last year, Fabián moved from the Research Department of the IMF to the Western Hemisphere Department to work in Mexico. On the research side, Fabián has had three of his papers published over the last year. One paper looks at the relationship between monetary policy rates, bank leverage, and financial stability (*JEDC*, 2014 vol. 47), the second paper looks at tradeoffs faced by central banks in charge of monetary policy and macroprudential regulation (*Econ. Letters*, 2014, vol. 125), and the third paper argues that banks self-insure by holding extra capital when risk is high (*MD*, 2014, vol. 18).

Susan Vroman (Ph.D., 1977) had a recent publication in the October 2014 issue of the *American Economic Review* entitled "Efficient Entry in Competing Auctions" and was coauthored with her husband, James Albrecht, and Pieter Gautier of the Vrije University Amsterdam. She continues to do research on search and matching theory and empirical work on the effect of parental leave on women's labor market outcomes in Sweden.

Stanley Winer (Ph.D., 1975) is still at Carleton and just had his Canada Research Chair renewed for a third seven-year term.

We are sad to note the passing of **Rashi Fein** (Ph.D., 1956). Rashi was a distinguished health economist who spent most of his academic career at Harvard, holding joint appointments in the Kennedy School and the

Medical School. He spent much of his time in the 1950s and 1960s in Washington, working at the Council of Economic Advisors and at the Brookings Institution, and he was one of the leading figures in the creation of the Medicare program. We will miss him.

STAFF NEWS

Our superb office staff--**Donna Althoff**, **Maggie Potts**, and IT Administrator **Nina Agopian**—continue to serve the department well. Maggie has been with us for five years, and is in charge of Admissions and welcomes each year's incoming class. Nina is about to depart for a trip to her home country of Bulgaria soon, with side trips to Vienna and the Greek Islands. We asked her to take some faculty with her but she declined the invitation. We welcomed new staff member **Jennifer Miller** to the Department this year. Jennifer is an avid photographer, so the photos in this Newsletter will improve measurably in the future. And I would be remiss if I did not note that Donna, our long-standing departmental administrator, began her 31st year with the Department in January and, yes, she is still putting up with the faculty.

I am also very sorry to report that we lost our wonderful staffer **Karen Allen** this year. Several faculty, students, and staff attended her services this Spring.

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 **Ann Fender**, **Julie Hudson** and **Steve Holden**, **Bruce Jaffee**, **Sung Hyun Kim**, **Robert Seidman**, **Daniel Stone**, **Takeshi Senda**, **Xue Song**, and **Jiri Slacalek**. These donations go directly to graduate student support for Research Assistant supplements, lunches for the graduate student reading groups, and related activities. The Department seems never to have sufficient funds to support these activities, so donations by our graduate alumni are especially useful.

I would also like to note again, as I did last year, of two exceptional gifts. **Reid Nagle** (Ph.D., 1979) made a generous gift last year to the Departments of Economics and History, remembering **Carl Christ** and **Lou Galambos**. His gift has been used to support graduate student travel to conferences, graduate student research assistant assignments, and special accessories for the graduate student lab. We have established the Reid Nagle Fund to support that research and to receive additional contributions made for that purpose. And **Alain D'Hoore** (Ph.D., 2002) made a generous gift, thanking his advisors **Lou Maccini** and **Ali Khan**, to support graduate student travel. We have established the Bretton Woods Travel Fund to support such travel and to receive additional contributions.

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

MUGS AND T-SHIRTS AVAILABLE

For a limited time you can purchase the Johns Hopkins University Department of Economics mug shown below for \$12, plus shipping and handling. Also available is the Johns Hopkins Economics t-shirt. Always keen to show how we obtain our results, we include (on the back of our one of a kind t-shirt) the computer code used to generate the scatterplot depicted on the front of the shirt. If you would like to purchase an exclusive Johns Hopkins Economics t-shirt, the price is \$25 plus S&H. Proceeds will go towards sponsoring department social events. To order either a mug or a t-shirt, please send an email requesting an order form to:

HopkinsEconomicsTshirt@gmail.com

