

MICHECON NEWS

Winter 2006/2007

for University of Michigan Economics Department alumni and friends



Tilman Börgers (left) gave the inaugural lecture of the Samuel Zell Professorship in the Economics of Risk in October; John W. Sweetland, AB '58econ, AM '59 (above, second from right) receives the Department's service award from Department Chair Matthew Shapiro as Professor Emeritus Saul Hymans and Susan Sweetland watch.

"For the Benefit of Others"

“What we accomplish is not just for the benefit of ourselves but for the benefit of others,” noted Professor Tilman Börgers just prior to giving the inaugural lecture of the Samuel Zell Professorship in the Economics of Risk in October. “It is a great thing to share.”

His opening remarks were made before the faculty, students, and guests who had gathered in East Hall to hear Börgers speak on the topic “Incentives and Strategies in Auctions and Voting Games.” But the “thank you” that followed was specifically addressed to the alumnus seated in a front row of the auditorium: Samuel Zell, AB '63, JD '66, HLLD '05, whose generous gift had provided the endowed chair Börgers now holds.

The Samuel Zell Professorship in the Economics of Risk was established by the Regents and funded by the Samuel Zell Foundation.

Zell/Borgers continued on page 4

"Giving of One's Self"

John Sweetland, '58econ, AM '59, received the double honor of having the first U-M Department of Economics service award named for him and being the award's first recipient. The John W. Sweetland Award recognizing outstanding service to the Department was announced at the close of the annual meeting of the Economics Leadership Council held on campus in October.

In presenting the award, Saul Hymans, professor emeritus and director of the Research Seminar in Quantitative Economics (RSQE) noted that Sweetland once observed “that the Economics faculty of his era personified three great virtues which he hoped would always ‘be a part of the very fabric of the Department... being a shepherd, giving one’s self to public service, and being a friend’.” Sweetland has exemplified those very attributes in his own relationship to the Department through years of devoted service and financial support. Hymans recalled that it was Sweet-

Sweetland continued on page 4

From the Chair

Serving as Department Chair offers many opportunities to extend oneself from professor and researcher to getting to know the many people who contribute to the ongoing successes of this Department.



In the past four years as chair, I have been privileged to work with a wonderful faculty and staff, the dedicated members of the Economics Leadership Council, and have thoroughly enjoyed meeting many of our alumni and friends, such as when we hosted our 50th alumni reunion luncheon this past June.

The significance of the ongoing relationship alumni have with the Department is demonstrated repeatedly. Examples from this past year alone include student mentoring when Peter Hooper, AM '71econ; PhD '75econ, chief U.S. economist at Deutsche Bank Securities, held a video conference with Department undergraduate students last spring, or Jason Mendelsohn, AB

'93econ, managing director of Mobius Venture Capital, devoted a day on campus this fall to lecture in the classroom and meet informally with students. Named professorships, such as the Samuel Zell Professorship in the Economics of Risk and the John W. Sweetland Professorship in International Economics, support ongoing academic research and teaching. And financial contributions—so generously given by so many of you—that support undergraduate student scholarships and graduate student funding, are additional testimony to the vital role of alumni in the ongoing commitments of this Department to its students and faculty.

Of equal importance is our lifelong relationship with you. This was evidenced most recently on two separate occasions. The first was in September, when Foster Library was the setting for a brief ceremony recognizing the Jason Vergari Memorial Fund. The fund will allow us to purchase journals and books for the library where Jason Vergari, '01econ, had spent many hours as a student. In visiting with his parents and sister during their brief time in Ann Arbor, it was clear to me that Jason had felt a personal attachment to this Department and that his family wanted to ensure a similar experience for other students who utilize Foster Library.

The second occasion was when Saul Hymans and I had the pleasure of visiting with John Lansing's brother and niece who stopped by Lorch Hall to visit the John Lansing Seminar Room this fall. John had joined the University's Survey Research Center in 1949 and would become a member of the Economics faculty in 1956. He was selected to be Department chair in 1970, but his untimely death a few months later prevented him from taking that position. To commemorate the important contributions he had made to the Department, the faculty established a John Lansing faculty lounge in the old Economics Building. Following the 1981 fire, the third-floor seminar room in Lorch Hall was dedicated to John as an ongoing testimony to his work and achievements while at this Department.

As you will read in this issue of *MichEcon News*, the Department does continue to move forward. In the past two years we have added 12 new faculty members. Economics is so central to the social sciences, more than 8,000 U-M undergraduate students annually enroll in one or more of our Department courses. Of those, 2,000 U-M undergraduates take Econ 101. Over half of all undergraduates take an economics course while at Michigan.

The Department equips students with a set of analytical tools that will allow them to think creatively whether they go into a career of law, business, education, or public service. We have consistently placed each of our graduating doctoral students in excellent professional jobs (see page 11, for the most recent placements).

At the same time, the state of Michigan continues to struggle with its own economy. That is why your support is so crucial to our ongoing efforts and successes.

Thank you for the encouragement and support you so faithfully offer to our students and our faculty.

A handwritten signature in black ink that reads "Matthew O. Shapiro". The signature is written in a cursive, flowing style.

MichEcon

NEWS

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*Includes gender identity and gender expression

Lorch Hall Welcomes Its New and Returning Students

As many of you reading this well remember, the Lorch Hall atrium is heavily populated when students are waiting to get into Econ 101 and 102 lectures—perfect conditions for the “Student Welcome” hosted by the Department during two days in September.

Tables were set up and loaded with cookies from a nearby bakery; Department and career information was distributed; and blue and gold balloons added a festive flair. Michigan Economics Society (MES) officers answered questions about their organization and had sign-up sheets for prospective members.

By all accounts, the two-day event was a great success, including some unanticipated benefits. “This was a great idea,” enthused Professor Charlie Brown with a grin, “I had more students stay awake in my class then ever before!”



“The Economic Consequences of Divorce in PSID Families”); Julia Driessen, (Thesis: “The Emergence, Development, and Future Economic Implications of Extended Adolescence”); and Molly Saunders-Scott, (Thesis: “Economic Growth of the Baltic Republics since Independence from the Soviet Union”).

Graduating with High Honors were: Tara Thomas, (Thesis: “Identity and Power in Public Goods”) ; and Ruchir Agarwal, (Thesis: “Inflation and Heterogeneity in Production Chains”).

Philip C. Rogers graduated with Highest Honors (Thesis: “Desperate Housewives No More”).

Department Awards were given to the following graduates:

Fernando Honors Prize (This \$1,000 prize is awarded to one to two graduating Honors seniors concentrating in Economics): Ruchir Agarwal

Osterweil Prize (A \$1,000 award to up to two graduating seniors concentrating in Economics who, in the opinion of the Department, are the most outstanding and promising students in the field of Economics with the greatest degree of social awareness): Michael Bates and Tara Thomas

Parker Prize (A \$500 prize to a graduate or undergraduate student concentrating in Economics for an outstanding written contribution to labor economics or human resources): Philip Rogers

Sims Prize (A \$1,000 award given to juniors concentrating in Economics who, in the opinion of the Department, are the most outstanding and promising students in the field of Economics): Ruchir Agarwal, Keith Kwiatkowski, Molly Saunders-Scott, and Emily Beam (The Sims Prize was awarded to these students as juniors, but they were also recognized at the commencement.)

Economics Dept. Celebrates Spring 2006 Commencement

The Department hosted its undergraduate commencement ceremony at Rackham Auditorum in April. Each graduate ascended the stage to receive a certificate commemorating the occasion. Awards for academic achievement were presented while cameras clicked and videos whirled as proud parents captured the moment on film.

Professor and Undergraduate Program Committee Chair Jim Adams, and Professor and Department Chair Matthew Shapiro welcomed those who had gathered for the event, and offered their special congratulations to the graduates.

A reception in the outer lobby offered an additional opportunity for conversation with faculty members, and a glorious spring evening in Ann Arbor provided the perfect setting as students, families, and faculty moved out onto the Rackham steps for more photo-taking.

Graduating with Honors were: Arthur Hong, (Thesis: “Rising Employee Contributions to Health Insurance Premiums: A Close Look at One Public Sector Employer”); Richard Yarger, (Thesis:



Special occasions provide ample opportunities for capturing the moment on film and the Department's commencement celebration was no exception. Above (l. to r.): Department Chair Matthew Shapiro, Ruchir Agarwal, Tara Thomas, Philip Rogers, Michael Bates, and Professor Stephen Salant, Below: Commencement invites a whole range of emotions including pride in accomplishment, a firm congratulatory handshake, sharing the moment with Mom and Dad, and unleashed exuberance. Commencement photos by Per Kjeldsen.



Zell began his career in real estate while still a student, managing apartment buildings in the Ann Arbor area. He continued with real estate after college and founded Equity Group Investments,



Samuel Zell, AB '63, JD '66, HLLD '05 (left) and Tilman Börgers, Samuel Zell Professor of the Economics of Risk.

L.L.C.—formerly known as Equity Financial and Management Company. This entrepreneurial investment firm is based in Chicago, where Zell serves as its president and chairman.

He maintains substantial interests in, and serves as chairman of the board for several companies, including Anixter International, Equity Lifestyle Properties, Inc., Equity Residential, Equity Office Properties Trust, Capital Trust, Equity International, and Covanta Holding Corp.

Zell recently completed a two-year term as chairman of the National Association of Real Estate Investment Trusts. He also serves on the JP Morgan National Advisory Board, the Eurohypo International Advisory Board, and the U-M President's Advisory Board.

Endowed chairs have long been used by institutions of higher learning to honor faculty members who have shown considerable academic excellence in teaching, publication, and research. Such chairs are typically reserved for scholars of national and even international stature, and endowed chairs have proven to be effective methods for recruiting and retaining the best and brightest faculty, such as Börgers.

A microeconomic theorist whose research spans a broad range of topics and employs a broad range of methodologies, Börgers joined the Department's faculty in the fall of 2005. He received the Diplom Volkswirt from the University of Köln, subsequently earning his PhD in economics from the London School of Economics, followed by his Habilitation at the University of Basel in 1993.

He taught at the University of Basel from 1987 to 1991, before moving to University College London, where he was first a lecturer, then reader, and then professor of economics for the next 14 years. In 1995, he helped to create the Center for Economic Learning and Social Evolution at University College London, serving as director from 2002 until leaving to come to Ann Arbor.

Börgers has held several visiting scholar positions, has written for an impressive number of refereed journals, has published a number of book contributions, and has served on a variety of

editorial boards of scholarly journals. Most notably he is a former managing editor of the *Review of Economic Studies*.

Specializing in the economics of risk and decision-making and in game theory, Börgers initially studied foundations of game theory and helped shed light on the idea of rationality in games. In recent years, he has focused on learning, voting, and auctions—such as analyzing the spectrum auction in Britain.

Students and colleagues alike have found him to be an insightful and engaging instructor—continually pushing them to think for themselves and introducing topics that are on the leading edge of economic thought today.

Sweetland, continued from page 1

land, “this Department’s extraordinary friend,” who proposed the idea of the Economics Leadership Council and has served as a member of this vital group since its inception a decade ago.

“John is a man of clearly remarkable talent and accomplishment, one whom others emulate constantly, yet one who never forgets the roads he’s traveled and the many who have selflessly made a real difference to his journey,” remarked Hymans.

“He believes fervently in balancing the ledger, in giving back, in his responsibility to make sure that those who follow will be provided with the opportunities that enable them to enhance and fulfill their own best capacities. And that means giving of himself as well as giving with a capital dollar-sign: to his church, to civic activities, to Sheldon Jackson College in Sitka, Alaska, and to the University of Michigan where the students of LSA benefit from

John believes fervently in giving back, in his responsibility to make sure that those who follow will be provided with the opportunities that enable them to enhance and fulfill their own best capacities.



the wonderfully vital Gayle Morris Sweetland Writing Center, and, most certainly, to this Department which is the proud home of the John W. Sweetland Professorship in International Economics.”

Sweetland is president of the Winsford Corporation, a provider of equipment for hotels worldwide. In addition to serving on the ELC, he has served on the College of LSA Dean's Advisory Council since 1995.

Economics Leadership Council Meets in October

Economics Leadership Council members were updated on Department activities this past year when they met for their annual meeting in Ann Arbor this October. In addition, the ELC discussed top priorities including faculty recruitment/retention and first-year funding of graduate students.

The addition of three new faculty members (see page 7) this year builds on the tremendous gains of last year's nine new faculty, reported Department Chair Matthew Shapiro who told ELC members that the Department is still looking to add five to six faculty members.

"Much about moving forward is about bringing in new faculty," Shapiro said, and graduate student funding "is critically tied into faculty recruiting: good faculty want to teach good students." Noting that the Department has been able to partner with other campus units in providing needed first-year funding for graduate students, Shapiro pointed out that in order for the Department to "live up to our full potential" it is highly desirable to have a higher percentage of graduate students funded totally through the Economics Department. Specifically, the Department is looking to completely fund 10 first-year fellowships which would mean that over half its graduate students would be "totally funded by us according to our agenda," said Shapiro. "We really feel we're forgoing opportunities by not being able to offer full funding in this area." A year of tuition plus stipend for a first-year PhD student is currently about \$55,000.

LSA Dean Terrence McDonald assured ELC members of the College's ongoing commitment to the Department of Economics, saying that "it is very important for us to have a strong Economics Department," citing both recognition of the Department as a "highly esteemed program" and the value for LSA students of its analytical thinking approach. The Department has 400-500 concentrators annually, accounting for 12 percent of LSA graduates.

During its meeting, ELC members had the opportunity to meet with both undergraduate and graduate students. They also were updated on several alumni relations initiatives undertaken this past year.

The ELC is the primary alumni service organization for the Department of Economics. As such, its members provide advice, financial support, and outreach opportunities that advance the long-term goals of the Department.



ELC members met with undergraduate and graduate students for informal discussions during their annual meeting in Ann Arbor. While some of the group settled at tables in Foster Library, other ELC members and students headed for Starbucks on South University.



ELC returning members who attended this year's meeting included: Michael Beauregard, AB '86econ (Huron Capital Partners LLC); David W. Berson, MPP '79, PhD '82econ (Fannie Mae); Gary Dorman, AB '72econ (NERA Economic Consulting); Peter Hooper, AM '71econ; PhD '75econ (Deutsche Bank Securities); Jeffrey R. Leeds, AB '67econ (North Fork Bancorporation, Inc.); Allen Sinai, AB '61econ (Decision Economics, Inc.); and John W. Sweetland, AB '58econ; AM '59 (The Winsford Corporation).

For a complete listing of ELC members, please visit the Department's website: www.lsa.umich.edu/econ

The ELC welcomed three new members and two special guests at its October meetings this fall. From left to right: Ralph Heid, AB '70econ, senior vice president and manager, International Division, Comerica Bank; Gerald C. Timmis III, AB '79econ, senior managing director, TouchStone Partners and managing director, GC Timmis & Co.; Diane

C. Swonk, AB '84econ; AM '85applied econ, senior managing director and chief economist, Mesirow Financial. Special guests at the meeting were Greg Pearlman, AB '83econ, managing director, corporate finance, Morgan Stanley; and Joel Koblentz, AB '66econ, founder and principal, Barnard & Co., LLC



Faculty News

As this issue of MichEcon News went to press, we received the sad news of the late November deaths of Professor **Gary Saxe**house and Professor Emerita **Eva Mueller**. As part of the wide community of colleagues, students, friends, and family, we join in mourning the passing of these two outstanding individuals and celebrating their rich lives.

Professor **Alan Deardorff** gave the annual Graham Lecture at Princeton University this past April. The title of his lecture was “Needs and Means for a Better Workhorse Model of International Trade.”

Tilman Börgers, the Samuel Zell Professor of the Economics of Risk, and Christian Dustmann (professor of economics, University College London) have been awarded the Royal Economic Society prize for the best paper in the *Economic Journal* in 2005. They received the prize for their paper “Strange Bids: Bidding Behaviour in the United Kingdom’s Third Generation Spectrum Auction.”

Professor **Serena Ng** has been appointed *JEB*S editor for two years. The appointment begins in 2007.

Matthew Shapiro, Lawrence R. Klein Collegiate Professor and Chair, has been appointed chair of the Federal Economic Statistics Advisory Committee (FESAC), the official joint advisory committee of the Bureau of Labor Statistics, the Bureau of Economic Analysis, and the economic programs of the Census Bureau.

Professor **Gary Solon** and Steven Haider, AM '95econ; PhD '98econ, co-authored a paper on the connection between current and lifetime earnings that appeared in the September 2006 issue of the *American Economic Review*. A paper **Solon** co-authored with Atsushi Inoue (North Carolina State University) on testing for serially correlated errors in fixed-effect models is forthcoming in *Econometric Theory*. **Solon** has also been named co-editor of the *Berkeley Electronic Journals in Economic Analysis and Policy*.



Hines Awarded Collegiate Professorship

Professor **James Hines, Jr.** has been appointed the Richard A. Musgrave Collegiate Professor of Economics.

Collegiate professorships are awarded by the LSA Executive Committee and are named after distinguished former faculty members. Musgrave was a faculty member at the U-M from 1948 to 1959. After earning his PhD at Harvard, Musgrave taught there for a few years before joining the staff of the Board of Governors of the Federal Reserve System. He left the Fed after six years to resume teaching, this time at the U-M Department of Economics.

Musgrave is one of the 20th century’s leading scholars of public finance. During his U-M years he wrote his revolutionary *The Theory of Public Finance*, which changed the way future generations of researchers conceptualized key questions in this field. He published several books, scores of articles, and Congressional testimonies. His work on public goods, tax progressivity, taxation and risk-taking, taxation and distributive justice, fiscal federalism, and the role of fiscal policy in stabilizing the economy represent major contributions in the field.

Hines attended Yale University where he earned both his Bachelor of Arts, *cum laude*, and Master of Arts in 1980. He completed his PhD at Harvard University in 1986. He began his career at Harvard as a teaching fellow (1982-1985), accepted an appointment as assistant professor at Princeton University (1986-1991) before returning to Harvard as a visiting assistant professor (1991-1992) and associate professor (1992-1997). He joined the faculty at the U-M School of Business Administration as associate professor in 1997, and was promoted to professor in 1999. He was appointed professor in the Department of Economics in 2002. He has also been appointed a U-M professor of law.

An expert in public finance, Hines is also the leading scholar on problems of taxation of multinational corporations. Since 2000, he has published 25 articles and books. He frequently advises on issues relating to international tax.

Hines is co-editor of the *Journal of Economic Perspectives*, a publication of the American Economic Association.

RSQE Director **Saul H. Hymans**, Assistant Research Scientist, **Joan P. Crary**, Senior Research Scientist **George Fulton** and Senior Research Associate **Janet C. Wolfe**, presented the economic forecasts for the nation and state of Michigan at the 54th RSQE Conference in Nov.

Professor **Gary Solon**’s drumming is featured on «I was Born in the Dollar Store,» a new CD (Of the same name) released by S’. The title song was awarded an honorable mention in a lyric-writing contest sponsored by the *American Songwriter Magazine*’s November/December issue. The group was recently featured on NPR’s website. Current PhD student **Brian Kovak** «is responsible for the superlative lead guitar work,» says Solon.



That’s Professor Gary Solon on drums and PhD student Brian Kovak (far left) performing with S’ (yes, that is “S” with an apostrophe!)

Tesar Named Next Department Chair

Professor **Linda Tesar** has been named as the new chair of the Department of Economics effective July 1, 2007.

Tesar's appointment is historical in that it will be the first time in the Department's 126-year-history that a woman has served as chair. "I look forward to balancing the responsibilities of being a chair with that of a busy life," says Tesar, the mother of three boys. "I think Matthew is going to leave things in tremendous shape. Our recent faculty hirings and expanding donor base are tremendous assets for this Department. This is an exciting time for Economics at Michigan and I am very pleased to be a part of this program, working with our outstanding faculty, students, and staff."

Tesar received her PhD from the University of Rochester in 1990 and spent seven years on the faculty at the University of California in Santa Barbara. She joined the faculty at U-M in 1997.

She is a research associate at the National Bureau of Economic Research and has been a visitor in the research departments of the International Monetary Fund, the Board of Governors of the Federal Reserve System, and the Federal Reserve Bank in Minneapolis. She has also served on the Academic Advisory Council to the Federal Reserve Bank of Chicago.

Tesar's research focuses on issues in international finance, with particular interests in the international transmission of business cycles, the benefits of global risksharing, and global capital flows.

Results of her research have been published in the *American Economic Review*, the *Journal of International Economics*, the *Review of Economic Dynamics*, and the *Journal of Monetary Economics*.



The Department of Economics Welcomes Three New Faculty

This fall, **Yoonseok Lee**, **Daisuke Nakajima**, and **Rebecca L. Thornton** joined the Department. All are assistant professors.

Lee earned his PhD at Yale University. Specializing in econometric theory, his research focuses on large dimensional dynamic panel models. Lee teaches statistics and econometrics.



Nakajima received his PhD from Princeton University. His research focuses on microeconomic theory, especially game theory and decision theory. Nakajima's current research topics include auction theories and axiomatic decision theories.



Thornton is a NIA post-doctoral fellow at the Population Studies Center and will begin her appointment in Economics in 2008. Specializing in development economics and health economics, Thornton earned her PhD from Harvard University.



Chicago Reception

Alumni and friends
of the
University of Michigan
Department
of
Economics
are invited to join
Department faculty
at a reception
during the
Allied Social Science
Association (ASSA)
annual meeting
in Chicago

January 5
6-8 p.m.
Grand Suite 5
Hyatt Regency Hotel

For more information
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25 Years Ago

The Economics Building Fire

It was a swift ending for the structure that had been built at the behest of the University's first president and was home to the U-M Department of Economics for 73 years.



"(Ann Arbor) – Fire officials in Ann Arbor say the University of Michigan Economics Building continues to smolder at this hour following a blaze that has destroyed the 125-year-old building. No one was injured in the fire that started just before 10 last night and officials say they still have not been able to get inside the brick and timber structure and investigate the cause..." (Associated Press radio wire, 12-25-81)"



"The oldest classroom building on the University of Michigan campus and valuable manuscripts and books inside were destroyed by fire on Christmas Eve, the authorities said." (New York Times, 12-26-81)

"A Christmas Eve fire on the University of Michigan campus destroyed the university's oldest classroom building, the 125-year-old structure housing the economics department offices." (Lansing State Journal, 12-26-81)



When Henry P. Tappan arrived in Ann Arbor to head the fledgling University of Michigan, he purchased 1,200 volumes for the University's library, ordered the University's first microscope, and in 1856 had a special chemical laboratory built. It was the first such building in the state and, according to some accounts, the world.

Despite a string of additions made to the original one-story building in 1861, 1866, 1868, 1874, 1880, 1889, and 1901, by 1907, U-M President James B. Angell, noted that "the old Chemical Laboratory is both worn out and outgrown" and that the University sorely needed "larger and better accommodations for the work



in history and political economy.” As Marjorie Brazier wrote in her “Centennial Retrospective” (1980), “chemistry’s problem was about to become political economy’s solution.”

In 1908, the Economics Department began moving into the refurbished Chemical Laboratory after the former tenants moved into the new Chemistry Building. There the Department would remain until the late hours of Christmas Eve 1981, when an arsonist’s blaze would destroy the building.

“The Economics Building fire was the most disastrous fire on the University’s campus since old Haven Hall burned in 1950,” then U-M Department of Safety Director Walter W. Stevens would say in the January 2, 1982, *Ann Arbor News*.

In the weeks that followed, faculty and staff retrieved what they could. Years of irreplaceable research and historical documents were lost. There were, however, some bright spots. Fireproof file cabinets protected some items. Milk crates of frozen books and papers were sent off to be scientifically freeze-dried, and libraries around the country contributed what they could to help replenish journal and book losses.

There was a series of campus discussions about whether or not the building could be saved but in the end it was decided that the damage was too extensive, the cost too great.

The Department was temporarily housed in the North Ingalls Building until 1986, when it was moved to Lorch Hall where some visible reminders of the old building—a salvaged brick, and a charred flag among them—are displayed.



Facing page: (top) 1856 illustration of the original Chemical Laboratory, A.J. Jordan, architect; (middle) by 1868 the building had extensions to the south and east; (bottom) another extension was added in 1874.

This page: (top, left) the building doubled in size with a second-story addition in 1880; (top, right) in 1890 a westward addition to the north end was added for pharmacy; (middle) Christmas Day 1981, firefighters continue to fight the smoldering blaze [2006, *The Ann Arbor News*. All rights reserved. Reprinted with permission. Photo by Bob Chase, originally published 1-10-1982]; (bottom) 2006 illustration by Bill Shurtliff. Historical photos courtesy of Bentley Historical Library, Univ. of Mich. (BL004100, BL004159, BL004165, BL004171, BL004177).

Alumni News

Harry D. Hutchinson, '49econ, PhD '62econ, passed away on July 28, 2005. Hutchinson taught economics at the University of Delaware from 1959-1989. He served in Germany and France in the Army during World War II. His wife, Betty, writes that "he was always very grateful for the teaching experience under Shorey Peterson and Leonard Watkins and proud of his education from the Economics Department and the University." In addition to Betty, he is survived by his three children, Dave (Kris) of Ann Arbor, Anne Cities (Greg) of Ann Arbor, Doug (Janet) of Salt Lake City, UT, seven grandchildren and many cousins, nieces, and nephews.

Richard L. Pinkerton, '55econ, professor emeritus of marketing and logistics at California State University is chair of the Strongsville (OH) Quality of Life Task Force, serves on the Strongsville Economic and Community Development Committee, and continues to give guest lectures.

Richard J. Ward, PhD '58econ writes that "after retiring at 75 from the University of Massachusetts in 1996, several books and lots of articles in my field on the shelf, I spent six years or so writing my type of open-any-page memoir, *Grampas Are For All Seasons*." Of his U-M years he shares that "with the likes of William Haber, Harold Levinson, Lawrence Klein, Gardener Ackley, Kenneth Boulding, Richard Musgrave as professors and mentors, the Michigan MA and PhD in Economics carried me (plus Cecilia and four youth) through a wonderful personal and professional life... as a graduate assistant, I corrected a ton of blue books for Professor Haber, who I got to love as a father--an absolute prince of a man, a true gentleman, scholar and humanitarian to the care..."

E. Wayne Nafziger, MA '61econ, university distinguished professor of economics at Kansas State University, is author of *Economic Development*, 4th edition (New York: Cambridge University Press, 2006).

Donald L. Kohn, PhD '71econ, was sworn in for a four-year term as vice



Jason Mendelson '93econ, managing director of Mobius Venture Capital, returned to Lorch Hall this fall to share his experiences with undergraduates. Mendelson spoke in classes and at a Michigan Economics Society luncheon, giving students an opportunity to network, learn how being an economics major can serve as the foundation

for a career in business, and learn about the venture capital business.



chairman of the Board of Governors of the Federal Reserve System on June 23. Kohn is chairman of the Committee on the Global Financial System (CGFS).

Animesh Ghoshal, PhD '74econ, professor of economics at DePaul University, Chicago, was a visiting professor at the Helsinki School of Economics this past summer.

Martha Retallick, '79econ, writes that she "now owns one of the oldest web design studios in Tucson, Arizona." She has been in the web business since 1995. On weekends, she "pounds nails for Habitat for Humanity (Tucson), and works on her fixer-upper house and yard."

Shahrukh Khan, PhD '83econ, returned from Pakistan to the U.S. in 2002 and secured a two-year visiting associate professor position at the University of Utah. He then moved (in 2004) to a four-year visiting professorship at Mount Holyoke College. In 2005 he published *Basic Education in Rural Pakistan: A Comparative Institutional Analysis of Government, Private, and NGO Schools* (Karachi: Oxford University Press) and, along with S.G. Khattak and S. Kazmi, *Hazardous Home Based Sub-Contracted Work: A Study of Multiple Tiered Exploitation* (Karachi: Oxford University Press). After receiving the spring 2006 issue of *MichEcon News*, he writes that he is "glad to read that the Department has moved up in the ranking and to read all the news about my professors."

Hans Hsu, '84econ, received a patent on a gift registry system that allows gift-givers to share the cost of gifts. "So, for

example," he explains, "a bride could register a sofa and her friends could each make partial contributions toward the gift and buy it for her." Hsu was named one of *Modern Bride's* Trendsetters Award recipients in 2005.

Andrew Adler, '89econ and his wife note the birth of their third child, Robert Matthew Adler, on January 4, 2006.

Jim West, PhD '94econ, is an associate professor at the Air Force Academy.

Christine (Bell) Hamilton, '98econ, has been promoted from senior financial analyst to provider contract administrator at M-CARE in Ann Arbor. She has been with M-CARE for over six years. Previously she worked at Thomson Medstat, also in Ann Arbor.

Darren Petterson, '98econ was selected for the cover of *Trader Monthly's* "Top 30 under 30" issue (August/September 2006). Currently with the TransMarket Group (Chicago), Petterson was the former wide receiver on the 1997 national-champion U-M football team.

Sachal Vasandani, '00econ, who also holds a BMUSA in jazz studies from U-M, was nominated for the 2006 MAC Award for male jazz. He will be releasing a new record on the Mack Avenue label this spring.

Rohit Bhawe MD, '02econ, finished medical school at the University of Chicago this past June and has begun his residency training at Newton Wellesley Hospital (MA) as transitional intern. Following this year, he will begin his

anesthesiology training at the University of Chicago. "Going to medical school as an economics major is not a traitional route," he writes, "but I believe today that analytical skills I developed pursuing my honors economics thesis have helped set me apart thus far in my training. I strongly encourage current students pursuing medicine as a career to concentrate in economics, and I also encourage current economics students to consider medicine as a career. I believe both will result in an enriching education and a satisfying career!"

Ho Chih-chin, PhD '87econ was appointed as the new minister of finance this past June by Taiwanese Premier Su Tseng-chang. Chih-chin is chairman of the department of economics and director of the graduate school of economics at National Taiwan University. Following his graduation from U-M, he served as the chief economist of the Internal Revenue Service (IRS) of the U.S. Department of Treasury. While in the U.S. he took part in former President Bill Clinton's tax reform program and joined the Brookings Institution, focusing on the study of the reform of inheritance and gift taxes. After his return to Taiwan in 2003, upon the recommendation of former finance minister Yen Chin-chang, he joined the domestic financial reform committee. He was a key adviser to former finance minister Lin Chuan for his tax reform program.

The following students earned their PhD in economics this past year. Their placements are noted in parentheses: **Farzana Afridi** (Syracuse University); **Osamu Aruga** (Ministry of Education, Culture, Sports, Science and Technology – Japan); **Jane Dokko** (Federal Reserve, Board of Governors); **Martin Farnham** (University of Victoria); **David Greenstreet** (Oxford University – England); **Katherine Guthrie** (School of Business, College of William and Mary); **Xin (Sherry) Li** (University of Texas - Dallas); **Chang-Ching Lin** (Academia Sinica – Taiwan); **Ekaterina Malinova** (University of Toronto – Canada); **Irene Ng** (National University of Singapore); **Songook Park** (Bank of Korea); **Michael Rimler** (Xavier University); **Christopher Suh** (Korea Institute of Finance); **Patrick Walsh** (St. Michael's College); and **Eun Jung Yeo** (Korea Institute of Finance).

50th Alumni Reunion: A Golden Opportunity For '55 and '56 Graduates



When LSA held a college-wide 50th alumni reunion in June, the Department of Economics sponsored a luncheon for our returning alumni. The golden anniversary grads and guests, along with members of the faculty and some students, gathered in Lorch Hall for a catered meal.

Alumni enjoyed taking tours of the building (which they remembered as the School of Art), sharing stories, and viewing historical photo displays and the old flag that survived the 1981 Economics Building fire. A particular highlight was poring through *Michiganensians* from the 1950s in Foster Library, looking up former professors "and old boyfriends and girlfriends."

Current faculty and students enjoyed hearing firsthand accounts of the Department—courses and faculty—from a half century ago. Before leaving, each alumnus and alumna received a keepsake photo of the old Economics Building.



In the Warren L. Smith Seminar Room, James Gilmore, AB '56, examines the flag rescued from the 1981 Economics Building fire. Photo by Robert D. Ramey.



Left: PhD student Yuriy Gorodnichenko leads a building tour for Carolyn and George Anderson, AB '51, and Richard Pinkerton, AB '55econ. A marriage made in Economics: the Taubenblatts, Selig, AM '51econ, and Sondra, AB '55econ. Photos by Robert D. Ramey.

ATTENTION! '81 and '82 Grads

What: LSA Reunion for the graduating classes of 1981 and 1982.

When: Friday and Saturday, May 18 and 19, 2007.

Where: Ann Arbor

Who: The Economics Department will host a tea at Lorch Hall for its graduates and guests on Saturday, May 19.

How: Registration materials will be sent out in January.

See You In May!

We Want to Hear from You...

Submit a Class Note for *MichEcon News*

We welcome news of your recent accomplishments and transitions. Send your class note to: econ-alumnews@umich.edu; fax (734-764-2769); or mail (Economics Alumni News 238 Lorch Hall, 611 Tappan St., Ann Arbor, MI 48109-1220).

Submission guidelines

Include your class year and contact information (e.g. email, phone no., address) • Be specific about the names and locations of companies and schools, and about publication titles and publishers • If you mention other alumni in your note, please give their class affiliations and contact information • Specify if you do not want your note to appear on our website.

Department website: www.lsa.umich.edu/econ

