



# THE BOSTON COLLEGE ECONOMICS DEPARTMENT NEWSLETTER

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## Economic Celebration 50 Years of the Ph.D.

With the completion of the 2002-2003 academic year, the Boston College Department of Economics marks its fiftieth year of doctoral studies. The inaugural doctoral programs in economics, education and history were established in the academic year 1952-1953. As the July, 1993 *BC • C* stated, 166 doctoral degrees in economics were granted in the 1953-1993 period: an average just over four per year. In the fifth decade of the doctoral program's existence, an additional 64 degrees were granted: an average of five per year during 1994-1998, and 7.8 per year over the most recent quinquennium. The smallest class was that of 1998, with three degree recipients, and the largest was that of 2001, when 11 doctoral degrees were awarded. The higher numbers reflect the expansion of the program as part of the University Academic Planning Council initiative (see *BC • C*, August 1998) which increased the number of first-year Ph.D. students with full financial support by 50 per cent.

The 230 recipients of the Ph.D. in economics from Boston College have followed varied career paths, from academic positions in research universities and liberal arts colleges to international organizations, research institutes, and the business sector. Many academic alumni have played an important part in the graduate admissions process by identifying candidates for the program, and publicizing the program's success to prospective applicants. The Department's track record of placing graduates in prestigious research positions, such as

the IMF and World Bank Young Economist programs, reflects earlier graduates' success in those institutions.

The 64 members of Boston College's company of scholars who earned the Ph.D. in the last decade are: Xiaoqiang Hu, Alison Kelly, Olin Liu, Sr. Beth Anne Tercek ('1994); John Barkoulas, Basma Bekdache, Michael Fenollosa, Alpay Filiztekin, José Hernandez-Garcia, James Monks, Van Newby, M. Serif Sayin, Gülcan Unal ('1995); Meral Karasulu, Kathleen Lang, David Richardson, Michael Salve, Kristian Uppenberg ('1996); Wenjie Fan, James Fetzer, Salih Gurcan Gülen, John Jordan ('1997); Mustafa Caglayan, Kelly Chaston, Steven Pizer ('1998); Minh Huynh, Carol Kallman Kane, David Mishol, Ayla Ogus, Neslihan Ozkan, Srikanth Seshadri, Gregory Swinand ('1999); Silvia Ardagna, Oriana Bandiera, Benoit Durand, Emanuela Galasso, Michael Hansen, Martin Konan, Gurkan Oguz ('2000); Kevin Cahill, Metin Celebi, Nikolay Gospodinov, Charles Ian Mead, Antonio Menezes, Maria Laura Parisi, Mark Sarro, Niloufer Sohrabji, Soner Tunay, An Yan, Yuichiro Yoshida ('2001); Helen Connolly, Can Erbil, Vasso Ioannidou, Ümit Özlale, Cesare Robotti, Andreas Waldkirch, Maurizio Zanardi ('2002); and Tiziana Brancaccio, Michael Giandrea, Kamer Karakurum Özdemir, Rachida Ouyse, Özlem Sayinta, Xiaomeng Yang, and Eçe Yolas ('2003). Congratulations to all for their participation in the success of Boston College Economics.

The department had a very successful recruiting season this spring. Three new faculty members join the department this academic year: Associate Professor Luisa Lambertini and Assistant Professors Raffaella Giacomini and Marina Pavan. By sheer coincidence, all three are Italian women, bringing the Italian contingent of our faculty to six.



Prof. Luisa Lambertini received the Ph.D. from University of California at Berkeley in 1995, and has most recently served on the faculty of UCLA. She has held visiting appointments at Princeton and the Institute for International Economic Studies in Stockholm. The lead article in the August 2003

issue of the *Journal of International Money and Finance*, "Symbiosis of Monetary and Fiscal Policies in a Monetary Union", is coauthored by Avinash Dixit and Lambertini. Other recent publications in the area of international economics and political economy appear in the *American Economic Review*, the *Journal of Economic Theory* (with Dixit) and the *Journal of International Money and Finance* (with Costas Azariadis). Luisa will teach graduate international finance and macro theory.

Prof. Raffaella Giacomini has just completed the Ph.D. at University of California-San Diego, advised by Clive Granger, Graham Elliott, and Halbert White. She is a time series econometrician studying issues in forecast evaluation. Her paper on "Aggregation of Space-Time Processes", with



*Continued, p. 3*



And pessimists among us said the day would never come... On the last two days of 2002, the Department of Economics moved from Carney Hall to a new office building on Saint Thomas More Road on BC's Lower Campus. The Economics and History Departments share the fourth floor of the hillside building, which is accessible over a bridge from the O'Neill Library atrium. The Communications department and Office of Research Administration share the fifth floor. After last spring's Commencement, the Philosophy and Theology departments relocated from Carney to the third floor of the hillside building, and this summer has brought the last set of tenants: the Office of the Dean for Student Development, with a number of student organizations. The ground floor contains the Hillside Cafe (with excellent panini and comfortable seating), a branch of the BC Bookstore, and the BC police department. The building is convenient to the adjacent parking structure and the Flynn Recreation Complex. The department's location in the new building permits all faculty, staff, teaching fellows and assistants and research assistants to work in adjacent space. Teaching fellows and part-time faculty share offices equipped with two desks, while teaching assistants and upper-level research assistants have their own carrels, with network connection and telephone. The department's facilities also include a graduate student lounge, two computer rooms with a total of 15 new eMac Unix workstations, a small conference room and a seminar room shared with History.

## Marvin Kraus becomes chair

Following three very successful years of leading the department of economics, Prof. Peter Ireland has stepped down as chairperson, and Prof. Marvin Kraus is the department's new leader. Ireland presided over the department's move to new quarters in the Administration Building, as well as the department's authorization to fill an endowed chair, and was heavily involved with the "hat trick" that brings three new female faculty members to our ranks this year. Peter will now be able to concentrate on his research and teaching, leaving such details as the provision of whiteboards in our new home to Marvin Kraus.

Marvin Kraus joined the department of economics in 1972, and received the Ph.D. from the University of Minnesota in the following year.

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A . presented the paper "A Theory of Fraud in Experts Markets" (with Francois Salanie) last December at the Economics Department at Boston University; last spring at the Universite de Cergy-Pontoise and the Economics Departments of SUNY Buffalo and Iowa State University; and last April at the International Industrial Organization Conference in Boston. She discussed the paper "Exploiting Future Settlements: A Signaling Model of Most-Favored Nation Clauses in Settlement Bargaining" by A. Daughety and J. Reinganum at that conference, and was a Visiting Professor for one month at the Universite de Cergy-Pontoise during the academic year 2002-2003.

A . has been busy as the proverbial beaver these days. His recent publications include "Gravity with Gravitas: A Solution to the Border Puzzle", with Eric van Wincoop, A ., *Journal of International Economics*, March, 2003 and "The Mercantilist Index of Trade Policy", with J. Peter Neary, *Journal of International Economics*, May, 2003. At the Econometric Society European Meeting last August in Venice, he presented "Traders, Cops and Robbers", and "Political Pressure Deflection" (with Maurizio Zanardi, BC'2002) was presented to the Econometric Society Meeting in January 2003. "Traders, Cops and Robbers" (with Oriana Bandiera, BC'2000: NBER WP 9572) was presented in seminars at UC-San Diego, UC-Santa Cruz, Claremont Graduate School, Michigan State University, University of Maryland, and Syracuse University during academic year 2002-3. Jim is also working on "Trade Costs" with Eric van Wincoop, a survey under preparation for the *Journal of International Economics*.

A . has been rather tied down over the last year due to heavy editorial responsibilities. During the fall term he managed conference trips to Hamilton, New Orleans, and Stockholm, the last to talk about rent control. And he managed to escape at the end of the winter term for a lecture tour in Europe, which included stops in Leuven, Marseille, Lugano, Bari, and Magdeburg. He is

## COMMENCEMENT 2003

This year's commencement ceremonies yielded seven new Ph.D. alumni for the program. Listed in order of completion are the dedicated group who received the Ph.D. degree this year and their thesis topics and advisors:

O ., *Essays in Labor Economics*, (Peter Gottschalk);  
O ., *The Impact of Mergers on Productivity and Profits*, (Frank Gollop);  
O ., *A Test of the Credibility-Enhancing Role of the IMF: The Case of Mexico*, (Kit Baum);

O ., *Essays in Econometrics: Selection of* Twga7K

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The BC chapter of ODE inducted 35 new members at its annual dinner in April. Prof. Richard Tresch was the featured speaker; it seemed appropriate that the person who introduced many of these students to economics should be the one to say the official good-bye as well. Members continued the tradition of tutoring in the Academic Development Center and the Office of Learning Resources for Student Athletes. They also organized peer-advising sessions for majors during the registration periods and a panel discussion with young alumni to discuss careers in economics.

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### ***An E-Thesis in your Future?***

An initiative of the University Libraries is seeking to make Boston College theses broadly available on the Internet. The "ETD" (Electronic Theses and Dissertations) initiative, chaired by Associate University Librarian Kathleen Carney, has entered a joint venture with bepress (Berkeley Electronic Press), publisher of a number of successful e-journals. Their "EdiKit" software, developed for the management of e-journals, is being customized to serve the needs of thesis students, their advisors, and the graduate school. Economics' faculty technology coordinator Kit Baum serves on Carney's ETD committee, and has played a role in expanding the ETD initiative to include College of Arts and Sciences Honors Theses. Four economics majors wrote their senior theses under the auspices of the College honors program, and their theses are now available from the ETD website: Mireille Samaan, James Pustejovsky, Kevin Meme and Bryan Kang's works may be downloaded from <http://dissertations.bc.edu/ashonors>. Economics PhD students are also encouraged to participate in the ETD project, which is still in a pilot phase; the Donald J. White Award-winning thesis of Can Erbil, "Trade Taxes are Better !?!" is also available from the [dissertations.bc.edu](http://dissertations.bc.edu) site. ETD proponents hope that we will soon be able to present all thesis students' scholarly effort through this mechanism. The ETD project provides great visibility to the students'

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We are pleased to announce that the Cheney Fund made awards to four senior economics majors last fall: Stanislaw Haciski, Bryan Kang, Kristine Lock, and Tara Wilcox.

All four were members of Omicron Delta Epsilon, the economics honor society (Bryan, Kristine, and Tara were officers of the BC chapter as well), and they all participated in the department's Honors Program. Stas' thesis, written under the direction of Prof. Tresch, concerned MA welfare policy since the welfare reforms of 1996. Bryan worked with Fr. McGowan on a study of the impact of state-sponsored gaming on state government budgets. Kristine's thesis was a study of the Microsoft anti-trust case, supervised by Prof. Petersen. Tara expanded on some work she did in Spain when she studied abroad; she looked at currency issues in euro-zone with the help of Prof. Baum.

They had other academic interests and awards as well. Stas and Kristine minored in mathematics, Stas and Bryan participated in the A&S Honors Program, and Tara minored in Hispanic Studies. Kristine graduated summa cum laude and was elected to Phi Beta Kappa in her junior year; Stas graduated cum laude and was elected to the Order of the Cross and Crown.

And now they are off to new adventures. Kristine is doing graduate work in economics at NYU. The others are pursuing careers in the finance sector, Stas at Liberty Mutual and Tara at State Street Bank.

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Eichengreen, on “EMU and Enlargement,” was published in *Journal of Applied Economics*, a volume edited by Marco Buti and Andre Sapir for Edward Elgar. A paper on “Net Foreign Assets and Exchange Rate Dynamics: The Monetary Model Revisited,” with Michele Cavallo (Federal Reserve Bank of San Francisco), is forthcoming in a volume on *Exchange Rates and Trade*, edited by Jean-Olivier Hairault and Thepthida Sopraseuth for Routledge. Several of Fabio’s working papers are currently under review at various journals.

Fabio completed a new working paper on

*Faculty News... from p.9*

...C... B... C... and the ... Peter is looking forward to publishing more papers and attending more conferences now that he has passed the job of Department Chair on to Marvin Kraus.

... published "Coalition Formation as a Dynamic Process" (with Debraj Ray) in ... , 2003; "Anchor Stores" (with Michael T. Sandfort) in the ... , 2003; and "Migration-Proof Tiebout Equilibrium: Existence and Asymptotic Efficiency", joint with John P. Conley, in ... , 2002. Hideo racked up the frequent flyer miles, presenting papers at the Midwest Economic Theory Meeting in South Bend (Oct. 2002), The 8th Coalition Theory Network Workshop in Aix en Provence (Jan. 2003), the Wallis Institute Conference in Rochester (April 2003), the Canadian Economic Theory Conference in Vancouver (May 2003), Public Economic Theory Conference in Durham (June 2003), and the Econometric Society Summer Meeting (June 2003). This explains the sharp drop in airline industry revenues last July.

... paper "A Generalized Envelope



