

**NORTHWESTERN UNIVERSITY**  
**Department of Economics**

**Chair's Annual Update**

Date: October, 2009

To: Graduate Alumni and Alumnae

From: Chuck Manski, Chair

*Department and University Administration*

As I enter the final year of my term as Department Chair, I am pleased that the entire department administration team continue to serve as well. Ian Savage continues as Associate Chair and Margene Lehman as Department Administrator. Igal Hendel and Joe Ferrie together head up graduate admissions. Elie Tamer continues as Director of Graduate Studies, Aviv Nevo as Placement Director, and Jeff Ely as chair of junior recruiting. Mark Witte continues to direct our undergraduate program, with Bob Gordon as chair of the undergraduate committee. I have learned over the past two years how important it is for the department chair to be able to work with and rely on such an effective and cooperative group of faculty and staff.

At the university level, Sarah Mangelsdorf begins her second year as the WCAS Dean. I have been pleased to work with her on college-department interactions, and I look forward to continuing in the year ahead. The big university news this year is that Henry Bienen has retired as President and Morton Schapiro has assumed the position this fall. Morty (as it appears everyone calls him) is himself an economist and will be a member of our department. For more information, see below.

*Faculty Transitions*

I have already mentioned Morton Schapiro as both the new President of the University, and as a faculty member in the Department of Economics. President Schapiro comes to us from Williams College, where he was President. His previous appointments include a stint as Chair of the Department of Economics at the University of Southern California. His research interests are in the economics of higher education. In the coming year he will be teaching our undergraduate course on the economics of education.

We bid farewell to two faculty members. Éva Nagypál has left us to join the consulting firm of Chicago Partners, and Chiaki Moriguchi has joined the faculty of Hitotsubashi University in Japan.

*Marcus Alexis*

We are saddened to report that Emeritus Professor Marcus Alexis passed away in Oakland, California on May 27. He was a member of the Department from 1970 to 1985 and again from 1991

until his retirement in 2005. He was a commanding presence in the profession, and served two terms as Department Chair. His accomplishments as the latter included the consolidation of the Department in Andersen Hall in 1977. Previously the Department's faculty, staff and students had been located in three separate houses. The Department will sponsor a memorial service for him in early October.

#### *Faculty Promotions and Honors*

Steffen Habermalz was promoted to Senior Lecturer. Elie Tamer was elected as a Fellow of the Econometric Society. Charles Manski was elected as a member of the National Academy of Sciences.

Mark Witte was selected as the commencement speaker at the WCAS convocation this past June. Eric Schulz was elected to the annual Associated Student Government Faculty Honor Roll.

The University has approved three new endowed chair appointments in the department. Jeffrey Ely is the Charles E and Emma Morrison Professor of Economics. This permanent chair was held by Stanley Reiter until his retirement. Aviv Nevo will be the next holder of the HSBC Research Professorship in Economics. This rotating chair has a 2-year term and is currently held by Elie Tamer. William Rogerson is the next holder of the Harold and Virginia Anderson Teaching Chair. This rotating chair has a three-year term, and honors outstanding teaching in WCAS.

#### *Erwin Plein Nemmers Prize in Economics*

The Department welcomed Professor Paul Milgrom of Stanford University as the recipient of the Nemmers Prize in the Fall Quarters of both 2008 and 2009. In early November 2009, Professor Milgrom will give his Nemmers lecture titled "The Promise and Problems of Market Design." This will be followed by a one-day conference, where eight invited speakers will discuss different aspects of Professor Milgrom's work.

#### *The Susan Bies Lecture*

Thanks to a generous endowment from one of our alumnae Susan Bies (PhD, 1972), who was until recently a member of the Board of Governors of the Federal Reserve System, we hold a special departmental lecture each year on economic policy, given by a distinguished external speaker. It alternates between macro and micro-oriented lectures. In April 2009, Preston McAfee from Cal Tech who is currently a Vice-President and Research Fellow at Yahoo! Inc., gave a lecture on "The Economics of Internet Advertising and Public Policy."

#### *Placement Report*

Professor Aviv Nevo, Director of Graduate Placement, reports that the downturn in the economy has affected the market for new PhDs. By some estimates demand was down by 30%. Despite this, all of our students received one or more offers. We placed our students at: the University of Southern Florida, the National University of Singapore, Uppsala University (Sweden), the U.S. Congressional Budget Office, Duke University (2 students), the Central Bank of Chile, McKinsey & Company, the

Chinese University of Hong Kong, New York University, Pimco, the University of Minnesota, the University of Tennessee, and Rice University.

*Eisner Fellowship*

Each year, we award a fellowship in honor of our late colleague Robert Eisner. This fellowship is partly supported by contributions made to the fund that many of our alumni contribute to. This fellowship is awarded annually to a graduate student who has distinguished him- or herself in *both* teaching and research. For 2009-10, the fellowship has been shared between Daniel Garrett and Toomas Hinnoaar, both of whom are fourth year PhD students.