

NORTHWESTERN UNIVERSITY
Department of Economics

Chair's Annual Update

Date: October, 2008

To: Graduate Alumni and Alumnae

From: Chuck Manski, Chair

Department and University Administration

As I enter my second year as Department Chair, I am pleased that all of the departmental 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 year 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.

While the department administration is stable, the university administration is in a period of important transition. Sarah Mangelsdorf, formerly Dean of Arts and Sciences at the University of Illinois Champaign-Urbana, begins this fall as the new Dean of the Weinberg College of Arts and Sciences. President Henry Bienen has announced that he will retire in spring 2009 and a search process has been initiated to select a new university president.

Faculty Transitions

This fall we welcome three new members of the faculty. We hired two new assistant professors. Ivan Canay is an econometrician who received his PhD this year from the University of Wisconsin-Madison. Bruno Strulovici obtained his PhD from Stanford University a few years ago and comes to us after completing a Postdoc at the University of Oxford. Bruno works in economic theory, financial economics and political economy. We also welcome back James Hornsten as a new member of our lecturer faculty. Jim obtained his PhD from our Department five years ago and comes to us from a faculty position at the College of Wooster in Ohio.

John Panzar retired in summer 2008. He is a 25-year veteran of the department and served as Department Chair and as Director of Graduate Studies for two terms. While John now makes his home in New Zealand, he will still spend part of each year in Evanston and will continue to have an office in the department.

We bid farewell to two faculty members. Francisco Buera has moved to the University of California at Los Angeles as an assistant professor. Lillian Kamal has accepted an assistant professor position at the University of Hartford.

Faculty Promotions and Honors

We congratulate Wojciech Olszewski on his promotion to Professor and to Alessandro Pavan on his promotion to Associate Professor with tenure.

Congratulations go to Eddie Dekel and Michael Whinston on their election to the American Academy of Arts and Sciences, to Dale Mortensen who was chosen as an American Economic Association Distinguished Fellow for 2008, and to Rob Porter who was named the 2008 Distinguished Fellow of the Industrial Organization.

We congratulate Eric Schulz for winning the University's highest award for teaching.

Nemmers Prize

The Department is pleased to welcome Professor Paul Milgrom of Stanford University as the recipient of the Erwin Plein Nemmers Prize in Economics. The biannual honor is bestowed on an outstanding economist who has yet to win the Nobel Prize. Professor Milgrom's work deals with the role of information and incentives in a variety of settings, including auctions, the theory of the firm, and oligopolistic markets. He will be in residence during parts of both the 2008-09 and 2009-10 academic years. Milgrom is the eighth winner of the prize. Previous winners are Peter Diamond, Thomas Sargent, Robert Aumann, Daniel McFadden, Edward Prescott, Ariel Rubinstein, and Lars Peter Hansen.

The Susan Bies Lecture

Thanks to a generous endowment from our alumna Susan Bies (PhD, 1972), who was until recently a member of the Board of Governors of the Federal Reserve System, we have inaugurated a special departmental lecture each year on economic policy, given by a distinguished external speaker. The inaugural speaker in March 2008 was Prof. John Taylor of Stanford University, a former Under Secretary of the U.S. Treasury for International Affairs.

Graduate Placement

Aviv Nevo, Director of Graduate Placement, reports that the demand from graduates by the top schools was strong, but there was a weaker demand from schools outside the top ten. We had a record twenty students on the market, and placed our students in a wide range of university, research institute, and private sector positions. University placements include Bocconi University (Italy), Collegio Carlo Alberto (Italy), Harvard University, the London School of Economics, the University of California at Davis, the University of Cincinnati, the University of Pennsylvania, and Yokohama

City University (Japan). Research appointments include the Bank of Italy, the Federal Reserve Bank of New York, and the Institute for the Study of Labor (IZA, Germany). Private-sector placements include Barclays Global Investors, Criterion Economics, Deloitte, Lehman Brothers, McKinsey & Company (Russia), and Pimco.

Funding

Northwestern's Graduate School recently announced a considerable increase in the funding available to support PhD students. Every student will now receive a dissertation year fellowship and most will receive summer support for their first four years. Strong undergraduate demand for economics courses means that the Department can support students in years two through four as teaching assistants. Many first year students are supported with fellowships.

Eisner Fellowship

Each year, we award a fellowship in honor of our late colleague Robert Eisner. This fellowship is partly supported by alumni contributions to the fund. The fellowship is awarded annually to a graduate student who has distinguished him or herself in *both* teaching and research. For 2008-09, the fellowship has been awarded to Paul Grieco, a fourth year PhD student.