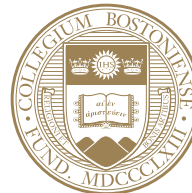




# THE BOSTON COLLEGE ECONOMICS DEPARTMENT NEWSLETTER

October 2006  
Vol. 29



## Peter Ireland awarded Monti endowed chair



Professor Peter N. Ireland has been appointed to the department's third endowed chair: the Murray and Monti Chair in Economics.

Peter Ireland joined the Boston College faculty as a Professor in 1998. He earned the Ph.D. from the University of

Chicago in 1991 and served as an economist and research officer at the Federal Reserve Bank of Richmond, later holding a faculty position at Rutgers University. Ireland is a research associate in the Monetary Economics Program at the National Bureau of Economic Research (NBER) and is an editor of *Journal of Economic Dynamics and Control* and *B.E. Journals in Macroeconomics*. His own research has appeared in a number of prestigious journals, including *Review of Economics and Statistics*, *Journal of Money, Credit and Banking*, *International Economic Review* and *Journal of Monetary Economics*.

Ireland has played important roles in the Department and the University, chairing the department during a period of senior hiring and the move to 21 Campanella Way. He has been instrumental in the University's Strategic Planning Initiative. Ireland has worked with many Ph.D. students with interests in monetary and macroeconomics, chairing nine Ph.D. dissertation committees since 2002.

## Shannon Seitz joins faculty

Last year's faculty recruitment season led to the hire of Assistant Prof. Shannon Seitz, who has joined the department faculty this summer. Shannon, a labor economist, received her PhD from the University of Western Ontario in 2000, and



served as an assistant professor of economics at Queen's University. She also served as a Visiting Faculty Associate at the University of Maryland's Population Research Center in 2002. Her publications include "Domestic Violence, Employment and Divorce", with Audra Bowlus, forthcoming in the *International Economic Review*. Seitz's ongoing research considers the evaluation of social programs, search and matching models, intra-household allocations, and long-term trends in marriage, fertility, and family labor supply. Seitz will be teaching undergraduate econometrics and one of the graduate electives in labor economics this academic year. She is also involved with the development of the University's High Performance Computing Initiative.

## Sönmez receives Junior Research Award

Professor Tayfun Sönmez was presented with the Boston College Junior Research Award in a Faculty Day ceremony on May 8, 2006. This award, presented to only one faculty member per year, was conferred

*Continued, p. 2*

## ECONOMICS GRADUATES GARNER A&S AWARDS



Economics was well represented at the annual College of Arts and Sciences awards ceremony, held on May 21, 2006 in a packed Robsham Theatre. The Alice E. Bourneuf Award, given to an outstanding senior economics major, was shared by Jamie Lee and Gregory Wiles. Wiles also received the Mary A. and Katherine G. Finneran Commencement Award, one of the College's highest honors. Lee also received the distinction of a Scholar of the College.

The Giffuni Prize, awarded for an outstanding thesis in economics, was shared by Kevin Czerniak and Jamie Lee (pictured above). Czerniak, also a Scholar of the College, had been awarded the John McCarthy, SJ Award in the Social Sciences in a ceremony on May 1. The McCarthy prizes, given in natural sciences, social sciences, humanities and history are awarded to the most distinguished Scholar of the College projects.

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### Luisa Lambertini leaves BC

Associate Prof. Luisa Lambertini has resigned to take a position at Claremont McKenna College.

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### *Tayfun Sönmez...from page 1*

by Academic Vice President and Dean of Faculties Bert Garza. The citation stated that Sönmez had "drawn national acclaim for his work in microeconomic theory and mechanism design." Sonmez is completing his first year at Boston College.

Sönmez becomes the third member of the economics faculty to have received one of the University's Research Awards. Prof. James E. Anderson was one of the inaugural recipients of the Distinguished Research Award in 1999, while Prof. Arthur Lewbel received the award in 2004.

## Economics major wins Truman scholarship for development studies

Nicholas Salter, a senior economics major, has won a Truman Scholarship, awarded to outstanding students who intend to pursue careers in government or elsewhere in public service and have demonstrated leadership. He is the sixth BC student since 1998 to receive a Truman, among the most competitive graduate scholarships in the United States, with only 70 to 75 given each year.



Salter, who spent his junior year at the London School of Economics, said that the Truman Scholarship will enable him to further his interest in addressing global poverty through sustainable development. He plans to pursue an interdisciplinary doctoral degree in development studies, one that would incorporate social and natural sciences.

"This interdisciplinary degree would provide me with a broad knowledge of global development issues, beyond the scope of a doctoral degree in economics, and more fully prepare me for a career with a leading development nongovernmental organization," said Salter, an economics major. "Because many of the major concerns facing developing countries today involve issues of ecology, climate change, sustainability, gender inequality, *Continued, p.3*



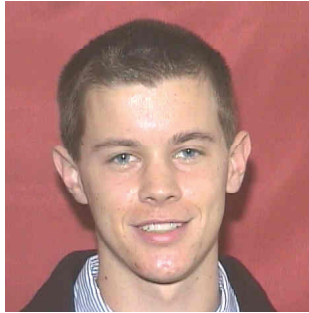
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## Economics major wins prestigious research award



For the third time in four years, a BC economics major has been selected by the American Academy of Political and Social Science for their prestigious Undergraduate Research Award.

Jamie Lee, class of 2006, learned that he was one of those selected for the award in a field of nearly 40 applicants. His Economics senior thesis project, on which his winning application is based, is "Did it Work? A Look at the Effects of Welfare Reform Nearly a Decade Later", advised by Prof. Richard McGowan, SJ. Lee is a student employee of the Center for Retirement Research at Boston College. Lee was invited to the Academy's annual dinner in Washington, DC on April 23 and a symposium the following day at the National Press Club.

A reviewer of Lee's paper found the study "to be a well thought out and conducted analysis of the effects of governmental policies on labor market indicators," describing Lee's methodological approach as having "a well conceived empirical approach to this problem, carefully addressing possible methodological issues and dealing with them in a thoroughly rigorous way." The relevance of Lee's findings are highlighted in the summary comments: "The conclusions of this research provide useful insights into the way that individuals respond to the incentives inherent in governmental policies aimed at reducing the reliance on welfare. This study also allows for the various aspects of governmental policies to have individual effects, which allows one to determine which policies have the largest impact on the target population. In particular, in controlling for alternative governmental policies, the author concludes that welfare reform policies have some effect in reducing welfare claims. However, it is found that the earned income tax credit has a far greater impact on the employment level and poverty level of this target group."

The AAPSS Undergraduate Research Award was won by economics majors Brett Huneycutt in 2003 and Matt List in 2005.

## ELEVEN PH.D.'S AWARDED IN UNIVERSITY COMMENCEMENT

The 130th Commencement Exercises of Boston College were held on Monday, 22 May 2006 on the Chestnut Hill campus. Eleven economics students were awarded the Ph.D., having completed all requirements for the degree since the 2005 commencement.

The latest members of BC Economics' community of scholars (and their advisors) include: Amrita Bhattacharyya, "Theoretical and Empirical Studies of Advertising in Specialized Markets" (Frank Gollop); Shihe Fu, "Essays on Urban Agglomeration Economics" (Richard Arnott); Kolver Hernández, "State-Dependent Nominal Rigidities and Economic Fluctuations" (Peter Ireland); Emmanuel Lartey, "Capital Inflows, Dutch Disease Effects and Monetary Policy" (Fabio Ghironi and Peter Ireland); Asli Leblebicioglu, "Essays on Financial Integration and Growth" (Fabio Schiantarelli); Federico Mandelman, "Business Cycles: A Role for Imperfect Competition in the Banking System" (Fabio Ghironi); Rasim Ozcan, "Essays on Auctions: Theoretical and Empirical Investigations" (Richard Arnott); Kameliia Petrova, "Essays on Entrepreneurship, Motivation and Autonomy" (Peter Gottschalk); Andrew Samuel, "Essays on the Economics of Corruption" (Richard Arnott); Bedri Tas, "Asymmetric Information, Stock Returns and Monetary Policy: Theoretical and Empirical Analysis" (Peter Ireland); and Paola Zerilli, "Essays in Asset Pricing" (Arthur Lewbel).

In addition, masters' degrees were conferred on Idil Edes, Tatiana Farina, Guiseppi Fiori, Nadezhda Karamcheva, Sergiy Kasyanenko, Xianzheng Kong, Nicola Lostumbo, Kamer Madjarov, Zhi Qiu, Justin Ross, Nicholas Sim, Dessislava Slavtcheva, Vitaliy Strohush, Chi Wan, Sisi Zhang and Andrei Zlate.

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*Economics major. from p. 2*

health care, and education, the solution must go beyond the scope of economic liberalization."

Discussing his career plans, Salter said he envisions working on global poverty issues through involvement with advocacy and development organizations in the "Global South": areas of the world that are socioeconomically underdeveloped.

## *BC student team wins semi-finals in New York District College Fed Challenge*

In the Second District College Fed Challenge—a competition held November 17, 2005 at the New York Federal Reserve Bank—a Boston College team of six undergraduates: Genna Ghaul, Jamie Lee, Nikki Tyler, Andrew Varani, and returning members Mark Irvine and Greg Wiles won fourth place and a \$5,000 prize. Last year, the College Fed Challenge involved a single round of competition in New York to accede to the District Final Four, and the BC team finished the district competition in third place. Expansion of the competition this year led to a preliminary New England round held at the Boston Fed on November 9. In that competition, BC and Harvard teams beat six other teams in two rounds of judging to advance to the New York round. In the New York Fed competition, the BC team advanced through another round of judging to compete in the final round of four, following SUNY-Geneseo, Rutgers (defending District champion) and Seton Hall in the rankings. Teams from Columbia, Cornell and Harvard were eliminated in earlier rounds. The BC Fed Challenge team was advised by Assistant Prof. Fabio Ghironi and Associate Prof. Robert Murphy.

The College Fed Challenge is intended to help students become more knowledgeable about the Fed and the decision-making process of the Federal Open Market Committee, the Federal Reserve's monetary policy-setting group. It is intended to promote greater understanding of the Federal Reserve's role in developing and implementing monetary policy; greater interest in economics and finance as a subject for advanced study and as the basis for a career; research, presentation, critical thinking, and cooperation skills; and a closer relationship between colleges and the Federal Reserve System.

Teams consist of three to five undergraduates from the same college or university. A team's participation involves two parts: a 20-minute presentation and a 15-minute Q&A session led

*Continued, next column*

## **Job market successes for new PhDs**

Recent placement of BC PhDs include: *Amrita Bhattacharyya*, Consultant, Brattle Group, Boston, MA; *Sheila Campbell*, Assistant Analyst, Congressional Budget Office, Washington, DC; *Shihe Fu*, Assistant Professor, Southwestern University of Finance and Economics, China; *Kelly Haverstick*, Research Associate, Center for Retirement Research, Boston College; *Emmanuel Lartey*, Assistant Professor, California State University at Fullerton; *Federico Mandelman*, Research Economist and Assistant Policy Advisor, Federal Reserve Bank, Atlanta, GA; *Kameliia Petrova*, Associate Professor and Director of International Student Center, Paul Smiths College, Paul Smith's, NY; and *Todd Prono*, Financial Economist, Quantitative Analysis Unit of the Supervision, Regulation and Credit Department, Federal Reserve Bank of Boston.



by a panel of judges (usually economics professionals, college faculty and/or Fed officials). Presentations include a discussion of current economic and financial conditions; a near-term forecast of economic and financial conditions that affect monetary policy; identification of risks that threaten the economic well-being of the country; and a recommendation as to the action the Fed should take with regard to short-term interest rates. During the Q&A session, judges may ask questions about arguments made or data addressed in the team's presentation; how policy-makers might respond to hypothetical economic scenarios; and the Fed's monetary policy-making and implementation process.

**Ingela Alger** published her paper: "Screening Ethics When Honest Agents Care About Fairness" with Régis Renault, in *International Economic Review*, Vol. 47, February 2006, 59-85 and the paper "Screening Ethics When Honest Agents Keep their Word," also with Régis Renault, is forthcoming in *Economic Theory*. She has an additional paper "A Theory of Fraud and Over-Treatment in Experts Markets" with François Salanié that is forthcoming in the *Journal of Economics & Management Strategy*. Ingela visited the Université de Cergy-Pontoise (France) in May, where she also presented "Altruism and Climate" (joint with Jörgen Weibull). She further presented this paper at the Canadian Economics Association meetings in Montreal in May, at the European Economics Association meetings in Vienna in August, at the University of Tennessee in Knoxville and at Boston University in September.

**Jim Anderson** checks in with the following publications: *Measuring Trade Restrictiveness* with Peter Neary, Cambridge: MIT Press, 2005, "Traders, Cops and Robbers" with LSE's Oriana Bandiera (PhD'00), in the *Journal of International Economics*, 2006, 70:197-215, "Welfare vs. Market Access: Implications of Tariff Structure for Tariff Reform" with Peter Neary in the *Journal of International Economics*, forthcoming, "Trade and Contract Enforcement" with Leslie Young, *Contributions to Economic Analysis and Policy*, forthcoming, "International Trade Theory," *New Palgrave Dictionary of Economics*, forthcoming, "International Trade," *International Encyclopedia of Social Science*, forthcoming. Jim also reports the following presentations: "Revenue Neutral Trade Reform" with Peter Neary, presented to the Econometric Society in Vienna this past August, "Commercial Policy in a Predatory World" presented to the National Bureau of Economic Research Summer Institute last July and "Consistent Policy Aggregation" presented at the Empirical Investigations in International

Trade Conference in Banff, Canada on Oct. 6-8, 2006.

**Richard Arnott's** recent publications in Public Economics include "Neutral Property Taxation," *Journal of Public Economic Theory* 7, 27-50, 2005, "The Property Tax as a Tax on Value: Deadweight Loss" with Petia Petrova (PhD'04), *International Tax and Public Finance*, forthcoming. In urban economics, Richard published "Prix Implicites dans les Parcours Urbains: Conceptualisation en termes d'Equilibre General" in Andre de Palma and Emile Quinet, eds., *La Tarification des Transports: Enjeux et Defis*, Paris: Economica, 2005, 19-35, "Congestion" with Marvin Kraus, *The New Palgrave*, 2nd. ed., forthcoming, "An Integrated Model of Downtown Parking and Traffic Congestion" with PhD candidate Eren Inci, *Journal of Urban Economics*, forthcoming, "Spatial Competition between Parking Garages and Downtown Parking Policy," *Transport Policy*, forthcoming and "City Tolls: One Element of an Effective Policy Cocktail," DICE Report 3/3, 5-11, 2005. Richard also writes that he "has been curtailing his peripatetic peregrinations to devote more time to research and book-writing. Buoyed by finally completing a book, he is starting another, a graduate urban economics textbook with Daniel McMillen. While nibbling away at a confection of research topics, dinner remains the economics of downtown parking."

**Kit Baum's** big news for the year is the publication of *An Introduction to Modern Econometrics Using Stata* (Stata Press, 2006). (He hasn't heard from Oprah yet, but...)

Kit made five trips over the pond this year, traveling to Glasgow in January and March to finish up a British Academy-funded research project with Mustafa Caglayan (PhD'98). He was named a Visiting Research Fellow at Glasgow. Kit also presented seminars at the Universities of York and Nottingham on the spring break jaunt. On Memorial Day, Baum

*Continued, p.6*

*Faculty News... from p.5*

presented a paper in the Quantitative Finance Seminar at Humboldt University, Berlin, which was joint work with Sasha Talavera (MA'02). He then traveled to the Forecasting Financial Markets conference in Aix en Provence to present "Effects of Exchange Rate Volatility on the Volume and Volatility of Bilateral Exports". He returned to England in July to present "Firm Investment and Financial Frictions" at the 13th International Conference on Panel Data at the University of Cambridge. In July, he presented "Time series filtering techniques in Stata" at the Fifth North American Stata Users Group meetings in Boston, with an encore at the Eleventh United Kingdom Stata Users Group meetings in London in September. On the latter trip, he and Caglayan participated in the 38th Annual Conference of the Money, Macro and Finance Research Group at the University of York. Two papers with John Barkoulas (PhD'95) appeared in print this year: "Dynamics of Intra-EMS Interest Rate Linkages", *Journal of Money, Credit and Banking*, 38:469-482 and "Long-Memory Forecasting of U.S. Monetary Indices", *Journal of Forecasting*, 25, 291-302. Baum has recently been appointed an associate editor of the American Statistical Association's *Journal of Statistical Software*.

**Don Cox** has published "On the Demand for Grandchildren: Tied Transfers and the 'Demonstration Effect'" with Oded Stark in the *Journal of Public Economics*, 89:9-10, September 2005, 1665-1697.

**Jim Dalton** (PhD '69) and Louis Esposito (PhD '68) had the following article accepted for publication, "Predatory Price Cutting and Standard Oil: A Re-Examination of the Trial Record," *Research in Law and Economics*, Volume 22, Amsterdam: Elsevier, forthcoming 2007. Frank Gollop and Dick Tresch helped considerably with valuable comments on early drafts.

**Fabio Ghironi** has the following publications forthcoming: "Macroeconomic Interdependence under Incomplete Markets," *Journal of Interna-*

*tional Economics* and "Interest Rate Rules for Fixed Exchange Rate Regimes" with Gianluca Benigno and Pierpaolo Benigno, *Journal of Economic Dynamics and Control*.

**Peter Gottschalk** reports the following new publications, "Is the Proportion of College Workers in 'Non-College' Jobs Increasing?" with Michael Hansen (PhD'00) in the *Journal of Labor Economics*, 21:2, 449-472, 2003, reprinted in *Modern Classics in the Economics of Education*, 2005; "Inequality of Wage Rates, Earnings and Family Income in the United States, 1975-2002," *Review of Income and Wealth*, 51:2, June 2005, "Can Work Alter Welfare Recipients' Beliefs?", *Journal of Policy Analysis and Management*, 24:3, 485-498, 2005, "Downward Nominal Wage Flexibility—Real or Measurement Error?", *Review of Economics and Statistics*, 87:3, 556-568, August 2005, "Diverging Fortunes: Trends in Poverty and Inequality" with Sheldon Danziger in *The American People-Census 2000*, edited by Reynolds Farley and John Haaga, Russell Sage Foundation and Population Reference Bureau, 2005 and a review of "The Anatomy of Racial Inequality" by Glenn Loury for the *Journal of Economic Inequality*, 2006. Peter presented a paper at the Economic Policy Forum, Northeastern University in November 2005. Peter was a discussant at the MacArthur Conference on "Economics of the Transition to Adulthood" held in New York last January. In March, Peter presented papers at University College London and at the ZEW Workshop on Wage Growth and Mobility in Mannheim, Germany. Peter presented a set of lectures at IZA European Summer School in Labor Economics in Germany last April. In May, Peter presented a paper at the Society of Labor Economists in Boston and was a discussant at the Workshop on the Transmission of Inequality at the Russell Sage Foundation in New York. Peter and his wife also managed time to fit in some wonderful rock climbing in Chamonix, France. The fact that they are doing this after

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*Faculty News... from p.6*

Gottschalk's rock climbing accident three years ago, shows that they are either risk lovers (not true) or irrational (probably true).

**Peter Ireland** has been busy with the following new papers in monetary economics: "The Liquidity Trap, the Real Balance Effect, and the Friedman Rule," *International Economic Review*, 46, 1271-1301, 2005 and "The Own-Price of Money and the Channels of Monetary Transmission" with Michael T. Belongia in the *Journal of Money, Credit, and Banking*, 38, 429-445, 2006. Peter presented "Productivity and U.S. Macroeconomic Performance: Interpreting the Past and Predicting the Future with a Two-Sector Real Business Cycle Model" with Scott Schuh at the University of Quebec at Montreal and the Federal Reserve Banks of Boston and New York.

**Hideo Konishi** reports the following new publications: "Free Trade Networks with Transfers" with Taiji Furusawa, in the *Japanese Economic Review*, 56, 144-164, 2005; " 'Salience': Agenda Choices by Competing Candidates" with Marcus Berliant in *Public Choice*, 125, 129-149, 2005 and "Concentration of Retail Stores," *Journal of Urban Economics*, 58, 488-512.

**Marvin Kraus** has published "Monocentric Cities" in *Companion to Urban Economics*, Richard Arnott and Daniel McMillen, editors, London: Basil Blackwell, 2006.

**Arthur Lewbel** checks in with the following new publications: "Estimation of Average Treatment Effects with Misclassification," *Econometrica*, forthcoming, "Coherence and Completeness of Structural Models Containing a Dummy Endogenous Variable" forthcoming in a special issue of the *International Economic Review* and associated conference volume in honor of Daniel L. McFadden, "A Simple Ordered Data Estimator for Inverse Density Weighted Functions" with Susanne Schennach, *Journal of Econometrics*, forthcoming, "Demand Systems with Nonstationary Prices" with Serena Ng, *Review of Economics*

and *Statistics*, 2005, 87, 479-494 and "Endogenous Selection or Treatment Model Estimation," forthcoming in *Journal of Econometrics*. Arthur is now the co-editor (along with former colleague Serena Ng of Michigan) of *Journal of Business and Economic Statistics*. In May 2006, Arthur was one of four invited speakers at a conference on Nonparametric Estimation held at the Institute for Fiscal Studies in London, presenting "Estimation of Average Treatment Effects with Misclassification." Two of the other invited speakers—Susanne Schennach and Shakeeb Khan—are Arthur's coauthors. On the lighter side, Art's juggling prowess was profiled in the Winter, 2006 Boston College Magazine. He worked again this year as a judge for the World Juggling Federation competitions in Las Vegas, broadcast last spring on ESPN.

**Bob Murphy** has been busy writing *Instructor's Resources* to accompany the 5th edition of *Macroeconomics* by N.G. Mankiw, Worth Publishers, August 2006. Last January, Bob presented "The U.S. Economic Outlook" to the Boston Chapter of the Institute of Real Estate Management. Bob has been active in politics and was elected Chair of the Hopkinton Town Conservation Commission for 2006.

**Fabio Schiantarelli** reports the following publications: "Inventory, Employment and Hours" with M. Galeotti, L. Maccini, *Journal of Monetary Economics*, 52, 2005, 575-600, "Regulation and Investment" with A. Alesina, S. Ardagna (PhD'00) and G. Nicoletti, *Journal of the European Economic Association*, June 2005, 1-35 and "Does Financial Reform Improve the Allocation of Investment? Micro Evidence from Developing Countries" with A. Galindo and A. Weiss, *Journal of Development Economics*, forthcoming. In Fabio's pipeline, "Productivity, Innovation Creation and Absorption, and R&D: Micro Evidence for Italy" with M.L. Parisi (PhD'01), and A. Sembenelli is forthcoming in *European Economic Review*

*Continued, p.8*

*Faculty News... from p.7*

and "Employment Changes, the Structure of Adjustment Costs and Plant Size: Evidence from Norwegian Plants" with O. Nilsen and K. Salvanes will also appear in *European Economic Review*.

**Uzi Segal** has been busy with the following publications: "Ex-post Egalitarianism and Legal Justice" with Alon Harel and Zvi Safra, *Journal of Law, Economics, and Organization*, 21 (2005), 57-75, "Ambiguity Aversion and the Criminal Process" with Alex Stein, *Notre Dame Law Review*, forthcoming, "Fair Bias," *Economics and Philosophy*, forthcoming, "Democratically Elected Aristocracies" with David Heyd, *Social Choice & Welfare*, forthcoming and "Tit for Tat: Foundations of Preferences for Reciprocity in Strategic Settings" with Joel Sobel, *Journal of Economic Theory*, forthcoming. Uzi's presentations include "Fair Bias" presented at the Law School at the Interdisciplinary Center in Israel, the Law School at Hebrew University, Israel, the Economics Department at Tel Aviv University, Israel, the School of Management in Technion, Israel and Université de Paris-VI. Uzi also presented "Calibration Results for Nonexpected Utility Theories" at the Economics Department at Ben Gurion University, Israel, the Philosophy Department at Hebrew University, Israel, the Economics Department at Hebrew University, Israel and at a conference at FUR XII in Rome. New grants for Uzi include two NSF awards: "Are Universal Preferences Possible?" and "Calibration Results for Non-Expected Utility Theories" (two years). He has been named an Associate Editor of *Theoretical Economics*.

**Tayfun Sönmez** reports the following publications: "Increasing the Opportunity of Live Kidney Donation by Matching for Two and Three Way Exchanges" with Susan Saidman, Alvin Roth, Utku Unver and Francis Delmonico, *Transplantation*, 81(5): 773-782, March 15, 2006, "School Choice: An Experimental Study" with Yan Chen, *Journal of Economic Theory*, 127: 202-231, March 2006, "Games of School Choice under

the Boston Mechanism" with Haluk, *Journal of Public Economics*, 90: 215-237, January 2006, "Pairwise Kidney Exchange" with Alvin Roth and Utku Unver, *Journal of Economic Theory*, 125: 151-188, December 2005, "A Kidney Exchange Clearinghouse in New England" with Alvin Roth and Utku Unver, *American Economic Review Papers & Proceedings*, 95-2: 376-380, May 2005, "The Boston Public School Match" with Atila Abdulkadiroglu, Parag Pathak and Alvin Roth, *American Economic Review Papers & Proceedings*, 95-2: 368-371, May 2005, "House Allocation with Existing Tenants: An Equivalence" with Utku Unver, *Games and Economic Behavior* 52: 153-185, July 2005, "Efficient Kidney Exchange: Coincidence of Wants in Markets with Compatibility-Based Preferences," joint with Alvin Roth and Utku Unver, forthcoming in *American Economic Review*, "Utilizing List Exchange and Non-directed Donation through 'Chain' Paired Kidney Donations" joint with Alvin Roth, Utku Unver, Francis Delmonico and Susan Saidman, forthcoming in *American Journal of Transplantation*.

**Dick Tresch** writes "I am now under contract with Palgrave-MacMillan to publish an undergraduate textbook in Public Sector Economics, scheduled to appear in late 2007 or early 2008."

**Zhijie Xiao** has published "Testing for Cointegration Using Partially Linear Models" with Ted Juhl, *Journal of Econometrics*, 2005, 124, 363-394, "A Nonparametric Test for Trend Breaks" with Ted Juhl, *Journal of Econometrics*, 127, 179-199, 2005, "Partial Linear Regression with Unit Roots" with Ted Juhl, *Econometric Theory*, 21, 877-906, 2005 and "Quantile Auto Regression" with Roger Koenker, *Journal of the American Statistical Association*, 101, 2006.



**Ozlem (Sayinta) Oomen** (PhD'02) and Roel Oomen announce the birth of their son Oskar Quinten on August 19, 2006. **Oleksandr "Sasha" Talavera** (MA'02) and Lena Kuzmina were married on June 9, 2006. Sasha works in the Department of Innovation, Industry and Services of DIW-Berlin. **Benoit Durand** (PhD'00) took a position as Economics Director at the UK Competition Commission. **Sabina Pogorelec** (PhD'05) has left the European Central Bank in Frankfurt and is now working at the European Investment Bank in Luxembourg. **Tullio Jappelli** (PhD'88) has published "Intertemporal Choice and Consumption Mobility" with Luigi Pistaferri in the *Journal of the European Economic Association*, 4:75-115, March 2006. **Peter "PJ" Nigro** (PhD'93) and Dennis Glennon published "Measuring the Default Risk of Small Business Loans: A Survival Analysis Approach", *Journal of Money, Credit, and Banking*, 37: 923-947, October, 2005. PJ is an associate professor of finance, holding the Sarkisian Chair, at Bryant University. **Gurcan "Salih" Gulen** (PhD'97) was highlighted in an article in a Turkish business magazine, *TurkishTime*, identifying the 10 most influential papers written by Turkish economists (using RePEc rankings). Salih's article, "Is OPEC a Cartel? Evidence from Cointegration and Causality Tests" was published in *Energy Journal*, 1996 and appeared as BC/EC WP 318. Articles by Dani Rodrik (Harvard), Jess Benhabib (NYU), Asli Demirguc-Kunt (World Bank) and others appeared on the list. **Paul Cichello** (BA'92), one of the first recipients of the Cheney Scholarship has received his PhD at Cornell University and is now teaching at Loyola College in Maryland. **Ana Aizcorbe** (PhD'86) published "Moore's Law and the Semiconductor Industry: A Vintage Model" with Samuel Kortum, *Scandinavian Journal of Economics*, 107:603-630, 2005. **Mustafa Cagyalan** (PhD'98) has been appointed Professor in the Department of Economics at the Uni-

versity of Sheffield. **Meral Karasulu** (PhD'96) has been appointed the resident representative of the International Monetary Fund in South Korea. **Atreya "Chuck" Chakraborty** (PhD'94) has two papers forthcoming: "Termination Risk and Managerial Risk Taking" with Narayanan Subramanian and Shahbaz Sheikh at *Journal of Corporate Finance* and "Re-pricing is Motivated by Turnover," with Narayanan Subramanian and Shahbaz Sheikh at *The Financial Review*.

## TECHNOLOGY NEWSNOTES

- The contents of the department's Working Paper series, one of the earliest U.S. series included in RePEc (Research Papers in Economics: <http://repec.org>) is now fully indexed in the American Economic Association's **EconLit** database, the premier on-line index to economics publications. **EconLit** now collaborates with the RePEc Project, which makes the bibliographic detail on leading working paper series from universities around the world to **EconLit**.

- The department's graduate students are now enjoying a dozen new computers in the consolidated computer lab, room 480A. The new computers, along with new systems for faculty and staff, were installed in October as part of the University-wide BC Computer Replacement program. The machines are Apple Computer's latest iMac models, based on Intel Core Duo processors, and are able to run either Apple's Mac OS X Unix-based operating system (read: no viruses!) or Windows XP Pro. At present, three of the 12 systems are configured to run Windows to provide access to MATLAB and Datastream applications.

- Several graduate students are joining faculty colleagues in using the department's new "compute server", `ecxserv2.bc.edu`, installed last summer. The new system, a powerful dual-processor Apple xServe, has 6 gigabytes of RAM and a 700+ gigabyte RAID file system. It supports a six-seat license for Stata/SE, allowing those with large Stata datasets much better access to the RAM and processing power needed for estimation and data analysis, as well as a five-user MATLAB license and support for the C++ and Fortran programming languages.

## PhD Candidates' Professional Activities

**Sheila Campbell** presented her paper, "Two-Sided Markets with a Negative Network Effect: Radio, Advertisers, and Audiences" at the International Industrial Organization Conference held at Northeastern University in April. **Eren Inci** has a forthcoming paper with Richard Arnott, "An Integrated Model of Downtown Parking and Traffic Congestion" (BC/EC WP 608) in *Journal of Urban Economics*. Eren received the following awards, grants and scholarships: Cambridge-MIT Institute Travel Grant (2006), Visiting Researcher at the Center for European Economic Research (ZEW) in the Industrial Economics and International Management Department for summer, 2006. Last summer, he also presented "Occupational Choice and the Quality of Entrepreneurs" at the Center for European Economic Research, the CEBR Conference on Entrepreneurship: Occupational Choice and Financing in Copenhagen and the European Meeting of the Econometric Society in Vienna, and in September at the Boston University Microeconomics Theory Workshop. Eren also presented "Public Policy towards Entrepreneurship and Innovation – Insights for Regions" at the Cambridge-MIT Institute Workshop on Regional Innovation at Cambridge UK last June. **Nicola Lostumbo** worked in the Research Department at the Federal Reserve Bank of Boston this past summer as a research assistant. **Maria Teresa Punzi** presented her paper, "Housing Market and Current Account Imbalances in a Two-Sector Open Economy Model" at the 5th Annual Meeting of the EEFS International Conference on European Labour Markets, Trade & Financial Flows and Economic Growth, held in Crete, Greece last May. In November, Maria will participate in the LACEA/LATAM conference in Mexico City, organized by the Econometric Society. This past summer, Maria participated in a summer internship in the International Capital Market Department at the International Monetary Fund (IMF). **Margarita Rubio** participated in a Dissertation Internship at the Federal Reserve Bank

of St. Louis during summer 2006 and presented her paper "Fixed and Variable-Rate Mortgages and the Monetary Transmission Mechanism" at a seminar at the Federal Reserve Bank of St. Louis. **Olga Sorokina** co-authored a paper, "Determinants of Presidential Pay at National Liberal Arts Institutions" with Robin L. Bartlett, *Review of Higher Education*, 29, Fall, 2005. Olga also presented a draft of her dissertation chapter "Adult Education: Human Capital Investment or Consumption Good" at the Institute for Women's Policy Research in Washington DC in May, 2006. **Mauricio Soto** coauthored "Investment Returns: Defined Benefit vs. 401(k) Plans" with Center for Retirement Research director Alicia Munnell, Jerilyn Libby and John Prinzivalli. The report, highlighted in the October 19, 2006 issue of the *Boston College Chronicle*, appears in the CRR publications series. **Baris Yoruk** reports the following publications: "The Kuznets Curve and the Effect of International Regulations on Environmental Efficiency" with O. Zaim, *Economics Bulletin*, 17:1, 1-7, "International Regulations and Environmental Performance" with O. Zaim, *Applied Economics*, forthcoming and "Negative Externalities, Productivity Growth, and the Catching-up Hypothesis" *Applied Economics Letters*, forthcoming. Baris presented his paper "Fundraising, the Power of Asking, and Charitable Giving" paper at the Canadian Economics Association Meetings at Concordia University in Montreal last May. **Yoto Yotov** and his wife were blessed with a baby boy, Valentine Yotov, on January 16, 2006. On September 1st, Yoto co-facilitated a seminar-discussion titled "How to Survive as an International TA and/or TF" as a part of Boston College's Connors Family Learning Center "Fall Teaching Orientation". Yoto's job market paper, "Labor Market Imperfections, Political Pressure and Trade Patterns" written under the supervision of Professors Anderson, Konishi, and Baum, was accepted for presentation at the Fall 2006 Midwest International Economics Conference at Purdue University in October and also at the Department Seminar Series at the University

*Continued, p.11*

## Students win support from Cheney Scholarship Fund

The Rev. Robert Cheney Scholarship recipients for the 2005-2006 academic year were **Alex Chang, Clyde Choi, Taejoon Chun, Melissa Cortina, Kevin Czerniak, and Niels Dragsbaek.**

Reading the list of names, you might think that a name beginning with C was a factor in our choice! More importantly, these students also had in common a high level of academic achievement. All were on the Dean's List in their schools. Four wrote honors theses in economics, and two were also members of the A&S Honors Program. All qualified for Omicron Delta Epsilon, the economics honor society; four were members of Gold Key; two were on the Thea Bowman honor roll, which recognizes the achievements of AHANA students; one was elected to Alpha Sigma Nu, the Jesuit honor society, and one was elected to Phi Beta Kappa. Three studied abroad, and five of them spoke a second language fluently.

They had variety of interests and extracurricular activities however. Alex was a member of an cappella group and the finance/international business academies. Clyde, a double major with philosophy, was active in BC's Asian Christian Fellowship and 4-Boston. Taejoon put his studies in economics and finance to good use as he worked 40 hours a week in three part-time jobs to finance his BC education, and we were particularly happy to be able to assist him. Melissa played the Irish fiddle and was a member of the Women in Business club. Kevin, who had a second major in political science, worked with Prof. Tresch on studies of the federal welfare program. Niels was a member of the Slavic Club and wrote for the *BC Observer*.

Thanks go to all the alumni and friends of the Department whose generous contributions to the Cheney Fund year after year make it possible to aid some of our most talented students.

*Professional Activities... from p.10*

of Connecticut. **Andrei Zlate** and J. Michael Finger (World Bank) published, "Antidumping—Prospects for Discipline from the Doha Negotiations," (BC/EC WP 632) in *Journal of World Investment & Trade*, 6:4, 531-552, August 2005. Andrei also published a letter to the editor of the *Financial Times* on September 18, 2006 about Romania's accession to the European Union titled "EU Timetable Pays Off in Reforms."

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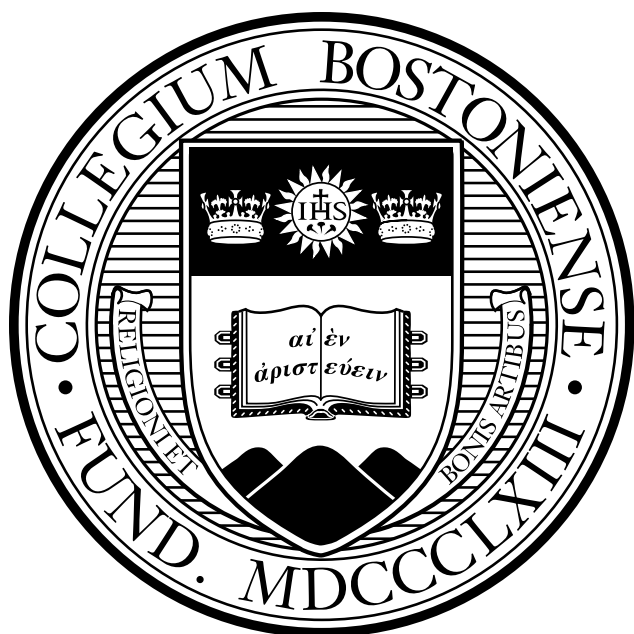
## Grad student awards

The 2006 Donald J. White Teaching Excellence Awards went to Massimo Giovannini and Yoto Yotov this spring. For summer 2006, the H. Michael Mann Dissertation Fellowship was awarded to Erin Inci and Massimo Giovannini. Departmental fellowships for summer dissertation research went to Darrel Barbato, Liz Shevyakhova, Tatiana Mihailovschi-Muntean, Pallavi Seth, Baris Yoruk and Yoto Yotov. For 2006–2007, one-semester dissertation fellowships were awarded to Marissa Ginn, Margarita Sapozhnikov and Viktors Stebunovs. Congratulations to all!

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## ODE News

The BC chapter of Omicron Delta Epsilon inducted 68 new members during the 2005–2006 academic year. Officers for the year were Conor Larkin and Roseanee Palatucci, co-chairs; Ted Serra, peer advising coordinator; and Joe D'Ascoli, career network coordinator. ODE members provided peer advising prior to registration each session and represented the department at other University functions. The chapter once again sponsored an evening discussion with young alumni from the Boston area about career issues. At the annual dinner, Prof. Tayfun Sönmez spoke about the work that he and colleagues have done on a matching program that the City of Boston has adopted to assign students to public schools.



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