

SPRING 2019

A letter from the Chair

Dear Students, Parents, Alumni, Colleagues, and Friends,

There have been so many events and changes this year that I hardly know where to begin. You can read more about most of these events in the rest of the newsletter.

Though it is painful, I will start with the sad news. John Harris, a distinguished economist and a great friend and colleague, passed away on July 7, surrounded by his children and grandchildren. John's family organized a beautiful and moving memorial service at Marsh Chapel in September, attended by many of John's family, friends, colleagues, and former students.

Additional sad news: One of our most accomplished graduate students and loyal alumni, Jan Walliser, passed away at the age of 49 this year. He was one of the World Bank's top Vice Presidents. Larry Kotlikoff and the President of the World Bank were among the speakers at his memorial service.

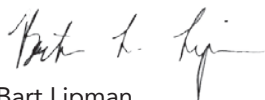
Turning from tragedy to celebration, our sixth annual Distinguished Alumni Award this year goes to two alumni, both of whom ran for Congress for the first time in November 2018, Gina Ortiz Jones and Alexandria Ocasio-Cortez. Unfortunately, the Congressional calendar will not allow Representative Ocasio-Cortez to join us, but I am very pleased that Jones will accept her award at commencement. I hope these alumni inspire today's graduates to follow their passions and ideals, and blaze their own impressive paths.

The Department is sponsoring a large number of exciting events this year, including two conferences and two lectures in memory of prominent faculty members. The first of the conferences was held on Pi Day (3/14) and celebrated Pierre Perron's 60th birthday. The conference featured 28 presentations by his former students and even some "grand-students." Also, we are sponsoring a conference at the end of May organized by WEorg on Women in Economics which I encourage you to read about inside the newsletter. There is also more inside the newsletter on the two lectures: the 17th Rosenthal Memorial Lecture, presented this year by Paul Milgrom, and the first Paul Streeten Distinguished Lecture on Global Development Policy, presented by Nobel Prize-winner Joseph Stiglitz.

We have also been hard at work recruiting new and exciting faculty for the Department. I am pleased to say that we will be joined next year by Linh To, a terrific labor economist getting her PhD at Harvard. We will also be joined by Yuhei Miyauchi, a trade economist who received his PhD last year at MIT and has been on a post doc at Stanford this year.

To conclude, I congratulate all the 2019 graduates from BU Economics. As you leave the University, we hope the things you learned here, both academic and otherwise, are valuable to you in navigating the world out there. Keep in touch and let us know how it goes!

With best wishes,



Bart Lipman
Chair, Department of Economics



FACULTY INTERVIEW

Chiara Margaria

WHAT DREW YOU TO STUDY ECONOMICS??

A succession of coincidences. As an undergraduate, I studied business but I found the management courses boring and the internship unexciting. The courses I liked the most were microeconomics and statistics, so I started a master's in economics, with only a vague understanding of what economics was about.

THIS IS YOUR SECOND YEAR AT BU. HOW ARE YOU ENJOYING IT? WHAT DREW YOU TO BU?

When I decided to come to BU, the good reputation of the department and the location were the main factors I took into consideration. Now, after two years at BU, I feel so much a part of the BU community that I find it hard to think I could work anywhere else.

WHAT DO YOU LIKE MOST ABOUT BEING AN ACADEMIC? (AND LEAST?)

What I like the most about being an academic is that I have the freedom to express my curiosity: I genuinely enjoy exploring new questions, and being an academic that is also my main task. The downside is that I will never be done learning, which feels frustrating at times.

WHAT UPCOMING OR FUTURE PROJECT OF YOURS ARE YOU MOST EXCITED ABOUT? WHY?

The project I am the most excited about is a project with my colleague, Andrew Newman. We want to use repeated game modeling to understand, among other things, why two-earner households are less likely to divorce than one-earners household – an empirical regularly documented by my coauthor in other works of his. I am excited because in this project the tools of repeated games, a somewhat abstract construct to most, prove to be useful but also necessary to explain real-world patterns.

WHEN YOU TELL NON-ECONOMISTS THAT YOU STUDY ECONOMIC THEORY, WHAT DO THEY THINK YOU DO ALL DAY?

Some of them think I spend time strategizing about how to beat them at poker. Some others think I do mysterious computations all day. Nowadays, when I say that I study game theory, people associate me with the main character of Crazy Rich Asians – a mixed blessing.

WHEN WAS THE LAST TIME YOU RAN A REGRESSION?

Reg what? Is that a new Olympic discipline, like an obstacle course?

WHAT'S A TYPICAL (NON-WORKING) WEEKEND FOR YOU?

I love exploring Boston: going to museums, to parks, open markets, and exploring neighborhoods I do not know. I have been learning how to shoot good photographs for a while, so every now and then I take outdoor photography classes during the weekend so I can combine exploring the city and learning photography. After two years in Boston, I am running out of new things to explore so I guess this summer I will have to venture beyond the Boston metro area boundary.

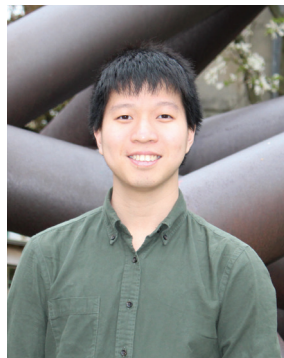


Chiara Margaria

BU Economics Department Prize

Andrew Chia is from the sunny island of Singapore, and is graduating with a BA in Economics and Mathematics this year. As a recipient of the Singapore government's Economist Service scholarship, Andrew had a keen interest in econometrics and its rigorous application to policy questions from the outset of his college life, which he has pursued throughout his time in the department.

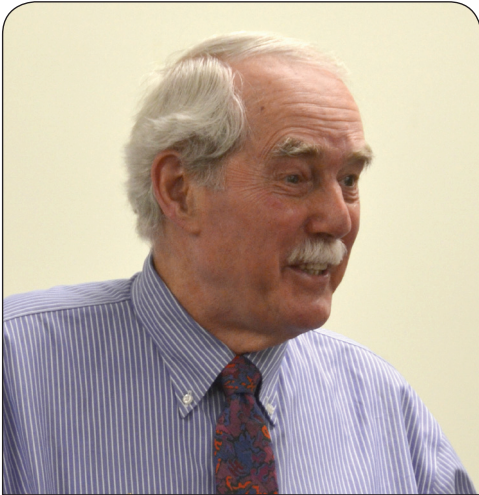
In the two years of his undergraduate education, Andrew has been fortunate to enjoy the support of many faculty members within the department, named here in chronological order. From his first semester, Andrew had the pleasure of taking intermediate microeconomics under **Professor Bahar Erbas**, who besides being an excellent teacher, also supported him in his bid to advance the rigor of his coursework. Andrew is grateful to **Professor Inmee Baek**, who, in addition to giving Andrew essential grounding in



intermediate macroeconomics, took him on as a research assistant, and later co-authored a paper with him on the impact of different channels of financial integration on income inequality. He is also grateful to **Professor Jordi Jaumandreu**, who instructed him in statistics for economics, and took him on as a research assistant working on Professor Jaumandreu's cutting-edge research in markup estimation. Andrew wishes to thank **Professors Dukpa Kim** and **Zhongjun Qu** for graciously allowing him into the PhD econometrics sequence, and advancing his technical understanding of statistics and econometrics. Finally, **Professor Lucas'** class on econometric methods and their intuition was exceeded only by his support and mentorship.

This summer, Andrew will be returning to serve in the Economics Division of the Ministry of Trade and Industry in Singapore, before commencing his Masters in Data Science at Harvard University.

Remembering John Harris



John Harris at his celebratory luncheon, 2011.

John Harris was not just a great economist, but also a dear friend and colleague to those of us in the Department, a great mentor to his many students, and a beloved head of the family to his three children and their spouses, his eight grandchildren, and his one great-grandchild, not to mention his role in the lives of numerous other friends, colleagues, neighbors, nieces, nephews, and cousins.

Born in 1934, John graduated from Wheaton College in 1955 before joining the Army and serving in Korea. He eventually returned to school, receiving his PhD in economics from Northwestern University in 1967. He became an Assistant Professor in the economics department at MIT in 1966, an Associate Professor in economics and urban studies in 1971, and then came to Boston University as a Professor in 1975.

While John carried out many significant research projects, his best-known paper in economics is undoubtedly his 1970 *American Economic Review* paper with Michael Todaro on migration, a paper honored by the AER as one of the top 100 papers it published in its first 100 years. The paper remains a key contribution in development economics.

In recent years, John was officially “part-time” in the Department, but you would not know that from his regular presence in seminars and his participation in all aspects of Department life. He relished passing on his vast knowledge to students and his colleagues until the very end of his life.

Distinguished Alumni Award

The Distinguished Alumni Award recognizes outstanding achievements in any area by graduates of one of the Department of Economics’ degree programs. This award is presented at the Department’s commencement each May as a way to honor our alumni and inspire our new graduates. Our 2019 recipients are **Gina Ortiz Jones** and **Alexandria Ocasio-Cortez**. While Gina Ortiz Jones will accept her award at this year’s department commencement ceremony, Representative Ocasio-Cortez will not be able to attend.

The November 2018 Congressional elections featured these two BU economics alumni as first-time candidates for the House of Representatives. They came to the race from different backgrounds,

despite their BU connection. Gina Ortiz Jones graduated from BU in 2003 with a BA and MA in Economics, as well as a BA in East Asian Studies. She served in Iraq as an Air Force intelligence officer for three years and eventually earned a second master’s degree at the US Army School of Advanced Military Studies. After serving in the Defense Intelligence Agency and under the



Gina Ortiz Jones

US Trade Representative in the Executive Office of the President, she left government in summer 2017 and announced her candidacy for Congress in Texas’ District 23 against incumbent Republican Will Hurd. After winning a five-way Democratic primary with more than twice the votes of the second-place candidate, she lost the general election to Hurd by 926 votes out of over 210,000 cast.

Alexandria Ocasio-Cortez graduated from BU in 2011 with a BA in International Relations and Economics. She moved back to the Bronx, worked as a bartender and a waitress, launched Brook Avenue Press, and served as lead educational strategist at GAGEis, Inc., and worked for the nonprofit National Hispanic Institute. In May 2017, she announced her candidacy



Alexandria Ocasio-Cortez

for the Democratic nomination for Congress in New York’s District 14, a seat long held by Democratic Caucus Chair, Joe Crowley. Despite being outspent \$194,000 versus \$3.4 million, Ocasio-Cortez won the primary with 57.1% of the vote, then the general election with 78% of the vote.

Women in Economics Organization

WEorg is a graduate-student led organization dedicated to the advancement of women in all stages of their careers in economics. **Vittoria Dicandia** and **Silvia Vannutelli** are the current co-chairs, Assistant Professor **Chiara Margaria** is the current Faculty Advisor of WEorg.

This year has been particularly significant for women in economics. The conversation about women's under-representation and the unique challenges faced by women in their careers has gained momentum. Within the economics profession, the increased public attention to sexual harassment and discrimination issues has raised awareness and encouraged policy discussion. As WEorg representatives, we are proud to say that our department has always been at the forefront of this conversation.

This year, our department reaffirms its leadership role in the advocacy of women's advancement in the profession by supporting WEorg in organizing the WERISE (Women in Economics: Research, Ideas, Solutions, Executions) conference, which is going to take place on May 31- Jun 1, 2019. The objective of the conference is twofold. First, it brings together leading international scholars working on the economics of gender, who will share the results of their research. Second, a panel of experts and conference participants will discuss concrete solutions to improve the status of women in the economics profession.



Co-Chairs Vittoria and Silvia attended Summit for Diversity in Economics at UC Berkeley

In addition to the conference, WEorg has had a very active year.

In October 2018, **Shelly Lundberg** visited our department as the annual Distinguished Visiting Woman in Economics. Lundberg is the Leonard Broom Professor of Demography at the University of California, Santa Barbara, and was at that time the Chair of the AEA's Committee on the Status of Women in the Economics Profession (CSWEP). She gave a talk on the status of women in the profession and shared her own experience; her testimony was encouraging and inspiring. At the end of March 2019, together with the Graduate Economics Association (GEA), WEorg organized a town-hall meeting, attended by both students and faculty, to discuss issues related to harassment and discrimination in the profession.

WEorg representatives are taking actions to connect with similar organizations across the country. In the fall of 2018, we attended the Summit for Diversity in Economics at UC Berkeley. The event was organized by the Women in Economics at Berkeley. It brought together graduate students from all over the country and created a platform to discuss and suggest ways to improve departments' culture and practices. More recently, in March 2019, we attended the first public event organized by the Harvard Graduate Women in Economics. In the future, we aim to promote events co-sponsored by organizations affiliated with different universities to offer graduate women the opportunity to connect and share their experiences, and to create professional networks which play a crucial role in enhancing women's careers.



Shelly Lundberg's presentation as part of the Distinguished Visiting Woman in Economics program.

Faculty Teaching Awards

This year's winner of the Gitner Prize for Excellence in Undergraduate Teaching is **James Feigenbaum**. James is an economic historian with wide-ranging research interests, having written on intergenerational mobility, the economic impact of Sherman's March, and the effect of lead exposure on violent crime. Students in his Topics in Economic History course this year praise him highly, calling him "a Gem," "incredibly knowledgeable," and "a truly phenomenal professor." One student wrote, "He is very young, but he is one of the best professors I have had. He truly knows how to motivate students about the material, and teaches in a very engaging way. I think he has a brilliant career ahead of him as a professor." Another commented that he "made history seem fun, which was pretty cool." We also agree whole-heartedly with the student who wrote "never leave BU."

The winner of the Neu Family Award for Teaching Excellence in Economics is **Johannes Schmieder**. Johannes has a broad range of expertise, including labor economics, public economics, and environmental economics. He is also a creative and innovative teacher, who has developed particular expertise with the "flipped classroom," a technique where students do much of the traditional classroom work on their own and do what would traditionally be "homework" in the classroom. Many students responded very well to this, with comments like "The flipped classroom idea was amazing --- it enhanced my ability to learn" and "loved the flip classroom!" Students also appreciate Johannes for his teaching skills as well as his technique, with comments like "Professor Schmieder is one of my favorite professors. . . He's incredibly enthusiastic and very knowledgeable," "100/100," and the highest praise "I feel that my way of thinking as an economist has greatly improved!"

Rosenthal Memorial Lecture

The Rosenthal Memorial Lecture series remembers Bob Rosenthal, a prominent and beloved professor in the Department who passed away unexpectedly nineteen years ago. With the support of the Department and Bob's family, each year the department's graduate students select a guest speaker in his honor, and have the opportunity to meet with the speaker to discuss research ideas and gain valuable insights.

This year's lecture was given by Stanford University Professor Paul Milgrom whose talk was entitled "Beyond the Vickrey Auction: Practical Design for Large, High-Stakes Auctions." Professor Milgrom and Bob Rosenthal were both students of Stanford professor Robert Wilson, so this was an extremely appropriate invitee.

Professor Milgrom's lecture was a masterful overview of his important work advising the Federal Trade Commission on how to structure the most recent auction in which air-wave spectrum was simultaneously purchased by the government from television stations and sold to cell phone and other spectrum buyers. Greatly complicating the auction is the geographic dispersion of the current and future ownership of the spectrum, the desirability of clearing some bandwidth nationally, not just locally, and the desire of the government to minimize disruption in the assignment of channels, so that consumers are not forced to change the channels assigned to specific networks. Although the bidding and auction algorithm used was extremely complex, and



Professor Paul Milgrom with (from left to right) Hanna Schwank, Vittoria Dicandia, and Yiming Cao

the auction took place over months of elapsed time, Professor Milgrom gave an entertaining and accessible overview of the logic, rationale, strengths, and weaknesses of the approach taken. It was an excellent example of how advanced theory can be useful in practice for solving complex problems.

The talk was videotaped and can be viewed at www.bu.edu/econ/research/lectures/rosenthal.

Paul Streeten Distinguished Lecture in Global Development Policy

The inaugural Paul Streeten Distinguished Lecture in Global Development Policy was held in honor of Economics Department Professor Paul Streeten, who passed away in January 2019 at age 101 after more than 40 years of affiliation with BU. This new annual lecture, jointly sponsored by the Department of Economics, the Boston University Global Development Policy Center, and the Institute for Economic Development, recognizes Professor Streeten's significant contributions to the department, Boston University, and the profession as a well-publishing scholar, as director of BU's World Development Institute, and as the founding-editor of the multidisciplinary journal World Development.

The March 2019 lecture entitled "Multilateralism and Development" was given by Joseph E. Stiglitz, Nobel Prize-winning economist and professor at Columbia University. Stiglitz is best known for his pioneering research on asymmetric information, and for his policy role while chief economist of the World Bank and a chairman of the (US president's) Council of Economic Advisers. He is the author of numerous books, and several bestsellers, including Globalization and Its Discontents Revisited, The Euro, Rewriting the Rules of the American Economy and The Great Divide.

Stiglitz's lecture to a standing-room-only audience of students, faculty, alumni and visitors, was a virtuoso synthesis of his own research and interpretation of recent international policy trends related to income distribution, risk taking, public policy, macroeconomics and globalization. His talk highlighted the key role of the US in both creation of the current rules-based international order, as well as recent trends at undermining those same rules. Ranging across banking regulation, trade barriers, international migration, patents, international law enforcement, health care, and the environment, Stiglitz highlighted how dramatically and rapidly the world is changing, with tremendous new challenges to developing countries. The lecture culminated with a rich set of questions from BU students and responses that emphasized new topics of inquiry for the future.



Joseph Stiglitz (left) conversing with Professor Randy Ellis (right)

UNDERGRADUATE PROFILES

ROBIE WEBSTER JR.

Robie is from Ypsilanti, MI and is graduating with a BA in Economics. Robie chose to pursue economics before he ever stepped foot on the BU campus. He excelled in his high school AP Economics course where he found his passion for economics and how it forced him to think deeper about the world around him in order to make connections with economic theory.

Robie would like to personally thank **Professor Switala**, **Professor Idson**, and CGS lecturer Richard Deese, for truly enhancing his time at Boston University through the courses they taught. During his undergraduate studies, Robie also competed as a Division I track & field athlete for the Terriers.

Following graduation, Robie will be working for National Grid, USA as an Associate Analyst in their Business Finance Partnering group. This job comes on the heels of many internships he has held in the energy/renewable industry. He spent two summers with National Grid Ventures (NGV), National Grid's renewable energy arm, which would ultimately lead to his decision to accept a full-time job offer from the company. He also spent time as an intern in various roles with Athlete Network, Power Advisory LLC, and Terawatt Energy.



From left to right: Robie Webster Jr., Julia Iansiti, and Shivansh Chaturvedi

SHIVANSH CHATURVEDI

Shivansh is graduating with a dual degree in Economics and Business Administration, and is also a part of the Kilachand Honors College. Raised in India and Kenya, Shiv was exposed to many strata of economic disparity, driven and sustained by human decision and choice. It was an innate desire to unravel the rationale behind these decisions as a series of analyses that led him to study economics. The economics department's professors guided Shiv towards a better understanding of a field that he thought too complex to grasp, and helped him learn more about the world around him. Shiv is especially grateful to **Professor Samuel Bazzi** for helping him through his *Economics of Less-Developed Regions* course, and even more so for serving as the advisor for his thesis on the functioning of the Kenyan public transport system.

In his time at BU, Shiv had the privilege of working for Deloitte in Kenya, India, and Boston in the summers, and is excited to continue learning and growing as he starts with them as a full-time consultant in Boston. He hopes to be able to use his perspective as an economist to find simple answers to complex problems, in order to make a lasting impact. Shiv aspires to one day further his economics knowledge and apply it towards international economic development, to help alleviate the disparity that once inspired him to study the subject.

JULIA IANSITI

Julia is graduating summa cum laude with a BA in Economics, a minor in Public Health and is a member of the Kilachand Honors College. She was first drawn to studying economics after taking an introductory microeconomics class with **Professor Todd Idson**; she was particularly intrigued by the way economic models attempt to mathematically depict human behavior. Julia thoroughly enjoyed taking a behavioral economics course with **Professor Ray Fisman**, who explored the way errors in human thinking can impact the decisions we make.

Julia would particularly like to thank **Professor Randy Ellis** for his tutelage as she pursued her honors thesis: *Inaccessible Physicians and the High Cost of Medical Care*. She is grateful to have had the opportunity to pursue her own passions under the guidance of such a passionate and thoughtful mentor. After graduation, Julia intends to pursue a graduate degree in health economics.

TAL DICKSTEIN

Tal is graduating with BA and MA degrees in Economics, and a BA in International Relations. Tal was initially attracted to economics because of his exposure to it in high school, but chose to continue studying economics because of his interest in the intersection between quantitative analysis and current events. The curriculum at Boston University gave Tal the tools to delve further into his interests for which he is incredibly thankful for.

Tal is grateful to his economics professors for helping him learn new skills and for giving him the push he needed to holistically improve himself. There are too many to name individually, but he would like to specifically thank **Professor Koskinen**, whose EC201 class convinced Tal to continue on with the major, **Professor Persson**, without whom Tal would not have passed EC505, **Professor Margo**, for making Tal appreciate reading Economics papers, **Professor Dasgupta**, for inspiring Tal to learn more math, and **Professor Lucas**, for revitalizing Tal's interest in how politics influences economic policy.



Tal Dickstein and Ann Fu

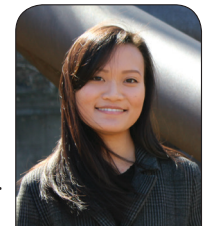
ANN FU

Ann is graduating with a dual degree in Economics and Business Administration: Marketing. Ann was always interested in the behavioral aspects of Economics, but it was not until she took macroeconomics courses with **Professor Watson** and **Professor Carliner** that she decided to pursue Economics as a major. Ann also enjoyed *Economics of Legal Issues* with **Professor Koskinen** and *Poverty and Discrimination* with **Professor Lang**, which taught her to analyze the U.S. political landscape using economic concepts.

While at BU, Ann served as the VP of Marketing for the Undergraduate Economics Association. She also studied abroad at the Université Paris-Dauphine where she took courses in consumer behavior and decision-making. Following graduation, Ann will be working at LiveRamp, a marketing agency specializing in behavior using data analytics.

CAS ECONOMICS PRIZE WINNER

Jessie Wang is a Trustee Scholar and Dual Degree student majoring in Economics and Music Performance, and minoring in Mathematics. After graduating summa cum laude in May, she will start a full-time position at Goldman Sachs as an Analyst in the Global Investment Research division. In addition to having interned at Goldman Sachs, she has also interned at Volpe, a federal agency under the U.S. Department of Transportation. She believes that the opportunities and courses available through the Economics department provided her with the necessary skills and theoretical foundation to acquire and succeed in these positions. Her experience as a research assistant, including the substantial amount of time spent under Seth Benzell (a BU alumni and MIT postdoctoral associate), showed her how broad economics can reach and largely contributed to her enthusiasm towards economics. Jessie's involvement in the Undergraduate Economics Association as Vice President of Research also played a key role in shaping her economic interests. From her coursework and experiences, her main interests lie in labor economics and financial economics. Additionally, she is particularly grateful to **Professor Todd Idson**, **Professor Bjorn Persson**, and former BU Professor Neal Becker for their guidance in her academic and professional trajectory.



Jessie Wang

Outside of the classroom, Jessie is an active musician and student guide. She is a member of the CAS Dean's Hosts and was previously an FY101 Peer Mentor. She can often be found performing with the BU Wind Ensemble, Chamber Orchestra, and Symphony Orchestra, as well as Times Arrow (the contemporary ensemble at BU) and numerous other chamber ensembles.

2018 FED CHALLENGE TEAM

The Boston University team was excited to participate in the regional College Fed Challenge held at the Federal Reserve Bank of Boston. Sponsored by the Fed, the annual competition aims to promote a better understanding of the Fed's role in maintaining growth and stability of the US economy. Competing with universities across the northeast region, the BU team gave a 15-minute presentation on their monetary policy recommendation. Following the presentation, professors and economists from the Fed questioned the team about their recommendation and understanding of economic theory.

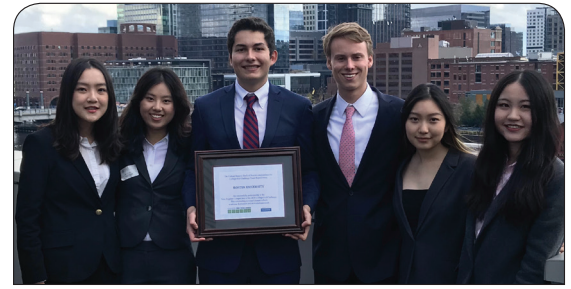
To formulate their policy recommendation, the BU team examined leading and lagging indicators to understand current economic and financial situations. Based on observed favorable conditions, they suggested a rate hike by 25 basis points in December. However, members also expressed concerns that trade issues with China and declining growth in emerging markets could trigger a recession in the near future. To be better equipped for a possible downturn, the team recommended the Fed to consider adopting an alternative monetary policy framework, price-level targeting. They argued that this framework can help mitigate declines in inflation and output if the economy were again at the zero lower bound. The team started preparation in the summer before meeting weekly in the fall. They also consulted **Professor Bruce Watson** and other faculty members to refine their recommendation.

This year, six students were selected to represent the University. **Zack (Isaac) Bookbinder** is a junior majoring in economics. He is currently studying abroad in London and will work at Deloitte

this summer.

Jennifer (Xueying) Jiang is a senior double majoring in economics and mathematics with a concentration in pure and applied

mathematics. This fall she will be a graduate student in computational finance at Carnegie Mellon University's top financial engineering program. **Sheryl (Xiru) Lyu** is a senior double majoring in economics and mathematics. After graduation, she will pursue a graduate degree in applied statistics at the University of Michigan at Ann Arbor. **Bryce Moser** is a junior majoring in accounting with a minor in economics. He recently completed an internship in General Electric's Finance Management Program and will be working in the finance division at BAE Systems this summer. **Xiaoyang Xu** is a senior studying economics and mathematics and will pursue a graduate degree in business analytics. She is currently working on a project addressing U.S. and China relationship from historical perspective, hoping it would help with her role as a student ambassador in an international high school. **Ruyuan Yan** is a sophomore majoring in economics and statistics. She serves as a program manager for the BU Community Service Center, as well as the president of Crafts for Charity.



From left to right: Jennifer (Xueying) Jiang, Sheryl (Xiru) Lyu, Zack (Isaac) Bookbinder, Bryce Moser, Ruyuan Yan, and Xiaoyang Xu

UNDERGRADUATE ECONOMICS ASSOCIATION

The Undergraduate Economics Association (UEA) is Boston University's primary on-campus organization for undergraduate students with an interest in economics. The group routinely organizes round table discussions on interesting themes and current events pertaining to the field of economics, invites academics and professionals to give special lectures over their areas of expertise, and maintains a community and network of students within one of BU's most popular majors.

Focused on introducing members to new extensions and real-world applications of principles learned in economics classes, the UEA's biweekly Economic Discussion Series (EDS) has continued to grow in popularity as one of the organization's core programs. Led by Vice Presidents of Research **Jessie Wang** and **Alp Kuleli**, EDS sessions this year have covered topics including current research on the labor market for American rideshare drivers, recent trends in the economic determinants of educational outcomes, and the expected macroeconomic fallout of Brexit.

Throughout this year, the UEA was very lucky to enjoy a few special guest lectures from economics professionals and BU faculty members. Distinguished guests included **Chris Colley**, an economist at the Volpe National Transportation Systems Center; **Professor Randall Ellis**, who discussed his work on cost-reducing innovation in the health industry; Visiting **Professor Priya Mukherjee** of the College of William and Mary, who presented her findings on elite capture in post-Suharto Indonesia; **Professor Mahesh Karra** of the Pardee School of Global Studies, who presented his field work on family planning interventions in Malawi and India; and **Professor Tarek Hassan**, who provided an enthralling explanation of his recent article on measuring firm-

level political risk. Each guest lecture was followed by an animated discussion between the speaker and the audience, resulting in an especially memorable set of talks and events for the academic year.

Lastly, in an effort to foster

interdisciplinary discourse within the social sciences on campus, the UEA co-hosted two special events with a collection of parallel undergraduate organizations. In October, the BU International Affairs Association (BUIAA) joined the UEA in holding a student-led discussion on the intersection of economics and policy in global affairs surrounding the ongoing trade war between the US and China. In November, just before the United States' midterm elections, the UEA worked with the student groups Up to Us and BU Net Impact in organizing and moderating a debate between the BU College Democrats and College Republicans on current trends in fiscal policy. In addition to highlighting the pertinence of economics to the policy world, both events were instrumental in maintaining productive conversations over key topics in economics among BU's undergraduates.



From left to right: Luis Enrique Moya Canovas (VP of Operations), Jessie Wang (VP of Research), Shreya Gupta (Executive VP), Ann Fu (VP of Marketing), and Aron Malatinszky (President). NOT PICTURED: Alp Kuleli (VP of Research)

The Master's Program



Students of the Master's Program gathered for a group photo in the Photonics Auditorium on April 19, 2019.



At the MA Career Information Meeting on Friday October 26, 2018, a panel of MA alumni shared their experience with current students on career development, and offered useful advice for their job search. The panelists were (from left): **Michael Hoffman**, MA 2017, Financial Institution Specialist – Federal Deposit Insurance Corporation; **Peter Brodeur**, BA/MA, 2017, Associate – Charles River Associates; **Wendy Zhu**, MA 2015, Senior Data Analyst – State Street; **Caroline Margiotta**, BA/MA 2017, Health Analyst – Mathematica Policy Research; **Julia Frayer**, BA/MA 1997, Managing Director - London Economics International LLC; **Kelly Colden**, BA/MA 2014, Global Account Finance Advisor, Assistant Director - Ernst & Young; **Jessica Nicholson**, MA 2003, Senior Economist - U.S. Bureau of Economic Analysis; **Prithvi Hingorani**, BA/MA 2015, Research Associate – Cornerstone Research.



A group of students looking confident and relaxed at the dinner reception following the MA Career Information Meeting. From left: **Dixita Gupta**, **Sakshi Goel**, **Juying Yan**, **Marybeth Train**, **Mansha Mahajan**.



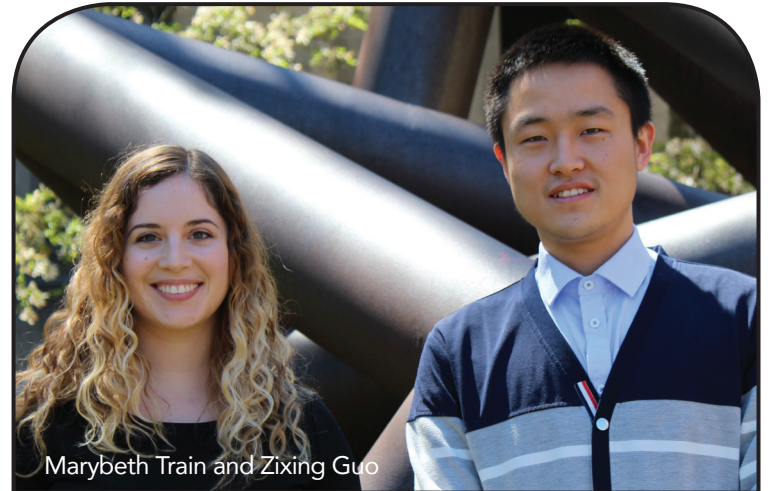
After his presentation at the Excel Workshop on March 20, 2019, **Prithvi Hingorani** (Member of the MA Alumni Council) gave a hands-on tutorial to students **Dixita Gupta** (left) and **Aashi Gupta** (right).



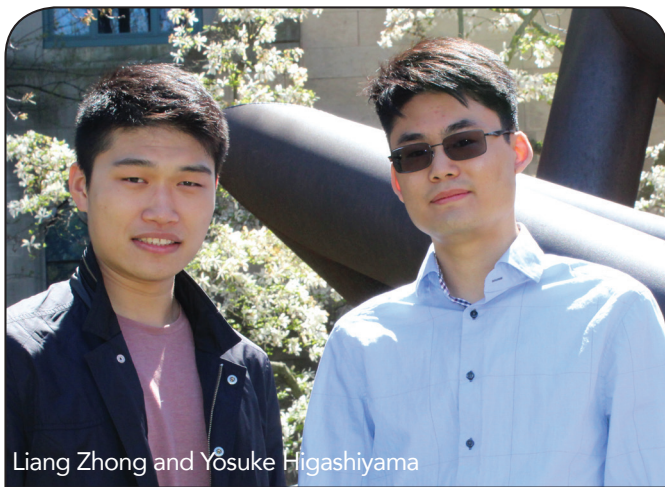
Students paying close attention at the MA Career Information Meeting. From left: **Rahul Srivatsa**, **Elizabeth Tibbitts**, **Meagan Fischer**, **Connor Snow**, **Theodore Opp**.

Prizes for Academic Excellence in the Economics Master's Program

The **MA Prize for Overall Performance** this year is shared by **Zixing Guo** (MA, September 2019) and **Marybeth Train** (MA, expected January 2020). In addition to their stellar academic records, both winners served as research assistants in the RA-Mentor Program during Spring 2019 and won high praises from their mentors. According to his mentor **Doctoral Candidate Fatima Aqeel**, "Zixing has been an amazing RA, far exceeding my expectations. The tasks I gave him were challenging, but he did them quickly, carefully, intelligently, and with great independence; solving many problems along the way." **Professor Christophe Chamley** said: "Marybeth was the most active student in my M.A. elective class EC565 Economic Institutions in Historical Perspective. She shows how cheerful concentration can lead to the highest level of excellence."



Marybeth Train and Zixing Guo



Liang Zhong and Yosuke Higashiyama

The **MA Prize for Best Paper** is shared by **Yosuke Higashiyama** (BA/MA, May 2019) and **Liang Zhong** (MA, January 2019). The idea for Yosuke's paper "The Effects of Free Trade Agreements on Foreign Direct Investments" was developed in the M.A. elective course EC598 Economics of Globalization. Eventually it also became his B.A. honors thesis. According to **Professor Stefania Garetto**, "What Yosuke accomplished, pretty much on his own, is a fine paper that compares favorably with many papers produced by third-year Ph.D. students that I have read over the years". Liang's work was about Racial Discrimination in the Motion Picture Industry. It was written for a Directed Study supervised by **Professor Daniele Paserman**, and they plan to turn it into an article to be submitted to a peer-reviewed journal. Both Yosuke Higashiyama and Liang Zhong will be returning to the Economics Department this fall to pursue their Ph.D. degrees.

Special Summer Stipend for M.A. Graduates entering the Economics Ph.D. Program

The special summer stipend this year is awarded to **Xuan Li** (MA, September 2019). As an undergraduate at the Southwestern University of Finance and Economics in China, Xuan assisted in the data collection for a large-scale biennial economic survey and co-authored a published paper on risk attitudes amongst Chinese investors. He went on to study at Lingnan University in Hong Kong on a post-graduate studentship, where he wrote an award-winning M.Phil. Thesis: "The Political Cycle in China's Primary Land Market". In the Economics Master's Program at Boston University, he earned perfect grades and enrolled in the Ph.D. elective course EC761 Public Finance taught jointly by **Professor Raymond**



Xuan Li

Fisman and **Professor Daniele Paserman**. His talents and accomplishments as a prolific, mature and skilled economist were quickly recognized. In the words of Professor Fisman: "Xuan Li is an earnest and creative scholar who has an excellent intuition for what constitutes good (and bad) research. These qualities will help him develop his own research agenda." Based on newly available data, he made an intriguing research proposal – "Political Connection and Firm Performance: Evidence from Alumni Connections in China". He has since worked it up into an impressive piece of research, which Professor Paserman thought could well be included as a chapter of a Ph.D. dissertation.

PHD PLACEMENTS

This year, fifteen graduating BU Ph.D. students have accepted job offers. Among the accepted jobs, five are tenure-track positions in universities and liberal arts colleges, four are in international organizations, think-tanks or other research institutions, and six are in private companies. Congratulations to our Ph.D. graduates!

So Hyun An, Associate Research Fellow, Korea Institute of Industrial Economics and Trade; **Jesse Bruhn**, Post-doctoral fellow, Princeton University, Assistant Professor, Brown University; **Juan Carvajal**, associate, Analysis Group; **Alessandro Casini**, Assistant Professor, University of Rome Tor Vergata; **Vince**

Chen, Assistant Professor, Renmin University of China; **Mesay Gebresilashe**, Assistant Professor, Amherst College; **Yeonha Jung**, Associate Fellow, Korea Development Institute; **Sanghoon Kim**, Assistant Professor, University at Buffalo, The State University of New York; **Yi-Hsuan Lin**, Assistant Research Fellow, Academia Sinica (Taiwan); **Junwen Lu**, Predictive Modeler, Arbella Insurance; **Siyi Lou**, Data Scientist, Lime; **Bruno Martins**, Associate, Analysis Group; **Phillip Ross**, Associate, Analysis Group; **Arthur Smith**, Associate, Cornerstone Research; **Danielle Trachtenberg**, economist, Inter-American Development Bank, Integration and Trade Sector.

GRADUATE STUDENT TEACHING AWARDS

The first award is for the best Teaching Fellow of the year. It is meant to recognize excellence and dedication and is awarded by the Graduate School of Arts and Sciences upon a nomination by the Department. The recipient is honored at a special reception given by the Graduate School. This year's winner is **Thomas Pearson**. In nominating Thomas, the Department is happy to recognize his excellence in all aspects of teaching, despite an unusually high workload. His sections are always extremely well attended, and he consistently receives outstanding instructor ratings. Thomas is described by students as knowledgeable, approachable, engaging, patient and good at explaining difficult concepts.

The second award is the Gitner prize for excellence in teaching undergraduates by a PhD student. The award is for the "Graduate Student who excels as the most exemplary teacher

of undergraduates within the Department of Economics." It is meant to recognize long-term excellence in a variety of teaching services including TF, instructor in CAS courses (summer and regular academic year), and MET instructor. This year's winner is **Thea How Choon** for her excellent teaching performance as a TF and instructor in CAS courses, and in particular in the Principles sequence, where she has filled many roles throughout the years. Thea started as a discussion leader where she consistently obtained stellar TF ratings, and was appreciated by the students for her kindness, patience, knowledge and enthusiasm for economics. In the last year, she has served as a conscientious and very organized Head TF, coordinating the activities of the other teaching fellows, and making everything run smoothly. Todd Idson, who has some experience in this, describes her as "one of the very best Head TFs" he has ever worked with.

PHD AWARDS, FELLOWSHIPS, GRANTS, AND PRIZES

Chelsea Carter received the Cambridge University Press Dissertation Award from the Economic History Association.

Three Economics students won the BU GRS Graduate Research Abroad Fellowship: **Gedeon Lim** (Fall 2018), **Vittoria Dicandia** (Summer 2019) and **Silvia Vannutelli** (Summer 2019).

Gedeon Lim also was awarded seed funding from the BU Initiative on Cities (Fall 2018) and won a Global Development Policy Center, Summer in the Field Fellowship (Summer 2018)

Yiming Cao, **Thomas Gautier**, **Masyhur Hilmy**, **Thomas Pearson**, **Gianluca Russo**, **Lisa Tarquinio** and **Kexhin Zhang** won the Manuel Abdala Gift Fund grants to conduct research fieldwork.

Matteo Ferroni won an IED research grant.

Shuowen Chen won the Best Second Year Paper prize, awarded by our Department.

IMMIGRATION, INNOVATION, AND GROWTH

By: Tarek Hassan, Lisa Tarquinio (BU PhD Student), and Stephen Terry (with Konrad Burchardi and Thomas Chaney)

Many students choose BU because of our location in a dynamic, thriving, and innovative city. The history of Boston is a history of the waves of immigrants settling in the city, from the Irish famine refugees in the mid 19th century, to Italians and others during the Age of Mass Migration, to more recent immigrants from East Asia, the West Indies, or Latin America. Could these two patterns be related? In a new working paper, Professors Tarek Hassan and Stephen Terry and BU PhD Candidate Lisa Tarquinio, along with Konrad Burchardi and Thomas Chaney, suggest yes, American counties with more immigration are more economically dynamic and more innovative.

But does the immigration *cause* innovation and growth? Just as students choose BU, what if immigrants choose cities like Boston because they are innovative and growing? That would yield the same positive correlations but point the causal arrows in the opposite direction. To make their argument, Hassan, Tarquinio, and Terry turn to the history of immigration. They trace 130 years of immigration data, following people from particular sending countries settling in

different counties, decade by decade. Timing tends to predict where immigrants settled historically. If a large number of immigrants left Italy or Poland in the 1890s, they were likely to settle in the counties in the US that were booming in the 1890s. And because immigrants often cluster in locations with later American-born generations who trace their ancestry to the same countries, these historical flows are good predictors of more contemporaneous flows of migrants. Thus, immigration patterns from the turn of the 20th century, enable the authors to identify which counties are likely to see large growth in immigrant population in the last 30 years, even as the source countries of American immigration have shifted over time.

The authors ask "Are the new arrivals draining resources of their host communities and stifling innovation and economic dynamism?" They answer with a resounding no. The counties with the largest arrivals of new immigrants today are more innovative and more dynamic. There is a 21% increase in patents per capita over five years with a one standard deviation increase in the number of migrants. Measures of economic dynamism--job creation and destruction--also increase in response to more immigration. A standard deviation increase in the number of immigrants increases the job creation rate by 2.1 points and increases the job destruction rate by 1.8 points.

DONATIONS TO THE DEPARTMENT OF ECONOMICS

The Department is grateful for the widespread support it receives from alumni, faculty, staff, students, and families literally around the world. We were particularly thrilled to see the outstanding response on Giving Day 2019 when 119 donors contributed a total of \$10,860. This was the fourth-largest number of donors and second-largest amount donated for any department in the College of Arts and Sciences, winning us another \$7000!

The full list of donors from Giving Day is not available yet, but we wish to thank the following for donations between April 16, 2018, and Giving Day 2019

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MANUEL ABDALA AND THE ABDALA FUND

Dr. Manuel Abdala received an undergraduate degree in economics from Universidad Nacional de Córdoba in 1985 before coming to Boston University in fall 1987. At BU, he earned his MA in Political Economy in 1990 and his PhD in Economics in 1992. Since receiving his PhD, he has worked in economic consulting, as a Director at LECG from 1998 to 2011, then moving to Compass Lexecon, rising to the position of Executive Vice President.

Over the last 20 years, Dr. Abdala has provided expert testimony in more than 150 arbitration and litigation cases around the world, ranging from a shareholder dispute about offshore oil investments in Brazil to valuing foreign-currency loan portfolios in Croatia to land expropriation issues in China. Some of the other industries he has consulted for includes electricity, telecommunications, retail goods, agribusiness, airlines, and petrochemical construction, and some of the other countries he has worked in are Spain, Senegal, Russia, Egypt, Hungary, Algeria, Poland, and Peru. He has advised companies, investors, and governments around the world on utility privatization and

deregulation, contractual disputes, auctions and bidding, market design, taxation, antitrust, and competition policy.

He has published 63 articles in the newspaper *El Cronista Comercial* and has served on the Advisory Board of the Institute of Transnational Arbitration since 2006. He is also a member of numerous professional societies, including the International Society for New Institutional Economics and the Asociación Argentina de Economía Política. As a loyal alum, he served as Coordinator for the Boston University Alumni Association in Argentina for 8 years.

More recently, his generous support established the Abdala Fund for Economics Research Fieldwork. In its first year, the Fund sponsored five research projects, involving field research in Malawi, China, Indonesia, India, and Italy. The grant recipients' studies include archival research in Italy and China; meetings and interviews with policymakers and relevant parties in Indonesia and India; and setting up field experiments in Malawi. We look forward to the papers this research is generating!

MEMORIAL: JAN WALLISER

One of our outstanding alumni, **Jan Walliser**, passed away in June at the age of 49. Jan earned his undergraduate degree at Kiel University in 1993 before coming to BU for his PhD. After graduating from BU in 1998, he worked for the Congressional Budget Office and then the International Monetary Fund. In 2002, he moved to the World Bank. Over time, he rose to the position of Director of Strategy and Operations of the Africa Region, providing leadership to staff operating in 48 countries in Sub-Saharan Africa. In 2015, he became the Global Vice President

of the World Bank's Equitable Growth, Finance and Institutions Global Practice.

The World Bank issued a statement after Jan's passing praising him for his leadership in the Bank and for "making a significant impact on the lives of people around the world in every office he held."

Professor Larry Kotlikoff of BU and Jim Yong Kim, President of the World Bank, were among the speakers at his memorial service.

TAX-EXEMPT LOBBYING: CORPORATE PHILANTHROPY AS A TOOL FOR POLITICAL INFLUENCE

By: Ray Fisman (with Marianne Bertrand, Matilde Bombardini, and Francesco Trebbi)

Professor Ray Fisman, Slater Family Professor in Behavioral Economics, is getting a lot of media attention for his NBER working paper "Tax-Exempt Lobbying", which has not yet been accepted. It is well-known that large corporations invest heavily in lobbying and are important donors to Political Action Committees (PACs) which publicly disclose their major donors. Large firms are also important donors to philanthropic foundations, and it is often speculated that this giving is also done in part to buy political influence. This paper provides the best direct evidence that tax-exempt charitable giving is done so as to influence politicians and that this reflects a sizeable amount of such donations. Fisman and colleagues link four types of information: detailed tax returns filed by charitable organizations listing corporate donors; corporate lobbying statements that reveal their legislative interests; each politician's personal financial disclosure forms filed in accordance to Ethics in Government Act that reveal linkages to specific charities and interests; and government files that track congressional committee assignments. The key contribution of the paper is to link changes in House member committee assignments to changes in corporate donations to charities

of special interest to House members. This interest can be because the charity is located in the same congressional district, or has lobbying interests allied to the representative own self-professed special interests, or because the firm cares about the legislative issues that fall under the purview of each committee to which the member belongs. Perhaps most convincingly, the authors assign to each company and legislator pair a variable that captures the number of legislative issues covered in the company's federal lobbying disclosure and by committees to which that representative is a member. Across each of these measures, changes in member committee assignment are linked to changes in corporate charitable giving to the interests of each congress members.

The authors' analysis suggests that firms deploy their charitable foundations as a form of tax-exempt influence seeking. They estimate that 16.1 percent of total U.S. corporate charitable giving is politically motivated, an amount that is economically significant: it is more than 6 times as large as corporate contributions to PACs and about 90 percent of total federal lobbying expenditures. Given the lack of formal electoral or regulatory disclosure requirements, charitable giving may be the single most important form of political influence that goes mostly undetected by voters and shareholders, and is directly subsidized by taxpayers.

LEARNING FROM OUR HISTORY, PLANNING FOR OUR FUTURE

The Department of Economics has made great strides since the early 1970s when it was a small department with about a dozen professors, fewer than 200 economics majors, and a small graduate program that specialized in teaching and practice. Today it is a highly-ranked academic powerhouse with 38 professors, more than 1,000 undergraduate majors and entering classes of about 25 PhD students and 100 MA students.

Over the years we have followed a simple formula for growth and improvement -- recruiting the best faculty talent, bringing up-to-date ideas to the classroom, carefully mentoring our students, and rewarding quality in teaching, publishing, and professional impact. Starting with President Silber in the 1970s and 1980s and continuing with President Brown in recent years, the University has made important investments in the Department and generous support from our alumni and other benefactors has further contributed to our improvement. These efforts moved the Department to the top 50 by the early 1980s and into the top 20 range by the 1990s.

Our goal for the next decade is to once again advance the ranking of the Department in order to better serve our students and to increase the quality of our research and its impact on society. This will be a daunting task because we will have to climb ahead of wealthier schools where the

competition for top faculty and students is intense. Nevertheless, we believe we can meet this challenge by building upon our foundations of excellence in teaching, research, and contribution to the profession.

To do so, we plan to intensify our recruiting of gifted younger faculty working at the frontiers of the discipline. We also hope to make much-needed improvements in our classroom and instructional infrastructure, secure the financial resources to attract the best students regardless of need, and offer our students new opportunities for hands-on learning through research projects and work experience.

As we look ahead to the 50th anniversary of the Department's first transformation in the early 1970s, we are starting to plan strategically for how to realize our ambitions for the coming years. Our first priority is to engage all of our stakeholders -- current students and faculty, alumni, friends, and benefactors -- in charting our future. We are asking for your advice, ideas, and energy to give us guidance about what specific initiatives we should be undertaking to achieve our goals and otherwise strengthen the vibrant economics community at Boston University.

Please contact our leadership team of Bart Lipman and Dilip Mookherjee with your suggestions.

Congratulations...

...to our Graduating Seniors, Master's and Doctoral Students

We congratulate another class of talented and highly qualified students on receiving their undergraduate, master's, and doctoral degrees, and offer them our best wishes!

The Department values our alumni, and appreciates that they are very important for the continued success of our programs and students. We urge them to stay in touch.

We wish to send a special thank you to all of our active alums who continue to support our students and the department. Graduates, alumni, and current students are encouraged to keep us updated of their whereabouts. Please send us your contact information as it changes so we can be sure to keep you involved with all of our upcoming alumni activities. Please visit <http://www.bu.edu/econ/alumni> to update your contact information, check for upcoming alumni events, and more!

Contributors

Thank you to our newsletter contributors: Randy Ellis, James Feigenbaum, Bart Lipman, Todd Idson, Hseuh-Ling Huynh, Peter Doeringer, Daniele Paserman, Stefania Garetto, Chiara Margaria, Andy Campolieto, Matthew Brown, Vittoria Dicandia, and Silvia Vannutelli.

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