

TRENDLINE



THE COLLEGE OF
ARTS + SCIENCES
BLOOMINGTON

ALUMNI NEWSLETTER FOR THE IU DEPARTMENT OF
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From the Chair

Dear members and friends of the IU Economics community:

It's mid-November in Bloomington as I am writing this annual message to you. Of course, it is mid-November everywhere else, but there are few places where these final days of the fall are as beautiful as they are here – as you know so well! Such days induce introspection and taking stock. This time, taking stock and contemplating

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Congratulations to Robert Becker

IU's Department of Economics congratulates Professor Robert Becker who was awarded an Honorary Doctorate (*Doctorat Honoris Causa*) by the University of Aix-Marseille, France, an exceptionally prestigious achievement in the academy.

The award was announced and presented at a ceremony at the University of Aix-Marseille on April 11, 2023.

(continued on page 4)



New and Enhanced Funding and Support

The Department of Economics is excited to report that two new donors and friends have established funds in support of the department and that several of our long-time donors have enhanced their support. Our students will benefit greatly from the generosity of these donors.

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Advances in Econometrics Conference and Festschrift in Honor of Joon Y. Park

The Advances in Econometrics Conference in Honor of Professor Joon Y. Park took place on September 29-30, 2023, at Indiana University, Bloomington. The conference aimed to bring together a wide array of econometricians to have

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In Memoriam

It is with much sadness the Department of Economics announces the passing of longtime faculty member and friend, George von Furstenberg, James H. Rudy Professor Emeritus of Economics. We asked several faculty members and former Ph.D. students to share their memories of George, who passed away on December 13, 2022.

(see Faculty Remembrance beginning on page 12)



TRENDLINE



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For activities and membership information:
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Department of Economics economics.indiana.edu

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From the Chair (cont.)

where the department is headed have special meaning to me as this is my final *Trendline* message to you as chair. The term of my service started in 2020, the year of the pandemic. Although the year of virtual operation was undoubtedly a shock to the entire educational system, we know that it only added to the challenges colleges and universities already needed to address in order to sustain the value of their degrees.

In the year following the pandemic, IU and the Bloomington campus welcomed new leadership (no intent to draw a link between the two events other than that both pointed toward transformation). You may have heard and read announcements about the new administration’s transformative priorities and plans. I believe that the structural changes will begin to be seen over the next few years. Among the big strategy shifts orienting IU toward new needs of the economy and student demand are the foci on strengthening research and education in health-related areas as well as the cluster of fields dealing with data analysis and Artificial Intelligence. Another notable priority is substantial growth in the share of Masters’ level enrollment. The College of Arts and Sciences is challenged in particular to recalibrate its role and place in the changing landscape.

In the midst of it all, I am happy to say that the Economics Department is very well positioned to play a key role in this changing landscape, especially given how much the center of gravity of economics research and education have shifted toward work with “Big Data”. As you know, we have been very proactive in riding this tiger in reforming our curricula at all degree levels. Our new Bachelor of Science major which is more focused on the tools of quantitative and computational analyses and received its final approval last fall (as you may have read in my letter in last year’s issue of this newsletter), has welcomed its first sizeable “direct admit” freshman class this fall along with numerous upper classmen who were already at IU and joined the major. We are currently working on expanding pathways to our similarly focused M.S. degree. First, we have developed a joint version



of the Master's degree with the Data Science Program at the Luddy School of Informatics many in whose bustling student population are keen to specialize in economic data analysis with its distinct appreciation for causality in data relationships. The joint degree curriculum has already received campus level approval and we are on track to being able to start offering it next fall. Second, we are now ready to put in motion the *accelerated* B.S.-M.S. degree track, which will offer, per new IU policies, savings of time and graduate tuition cost to students who choose to pursue it. (Don't you wish this opportunity existed in your time at IU?!) All that said, our good old B.A. is also experiencing rapid growth. I think that all these things considered, it's an exciting time for the Economics Department.

It does not take an economist (or maybe it does, based on the effort it often takes to explain this to some) to understand that in order to meet the needs of our rapidly growing student populations we need to grow our faculty, or rather to regrow it given some of the recent attrition. And indeed, we are, finally, hiring tenure track faculty. This year, we were given positions in two fields, macro/monetary economics and experimental economics/game theory, both of them areas of strength IU Economics is known for internationally.

The first search deserves particular mention: we are looking to fill the recently established *Elmus Wicker Chair in Monetary Economics*. It was endowed by E. Scott Thatcher (B.A. 1966), in honor of his "beloved professor of economics Elmus R. Wicker" as stated in the gift announcement. You can read about the gift and our 2012 celebration of it (Elmus R.

Wicker Professorship in Economics, 2014 *Trendline*, p. 3 and E. Scott Thatcher, 2020 *Trendline*, p. 21) and a celebration of Elmus's work in a conference entitled "Financial Crises Past and Present: Celebrating the Research Contributions of Elmus R. Wicker (Celebration of the Research Contributions of Elmus R. Wicker, 2015 *Trendline*, p. 9). Sadly, both Scott and Elmus passed away in 2020. So, this opportunity to make a critical investment in our strength in the macro/monetary field is also a wonderful opportunity to honor the legacies of Elmus and Scott.

Links for past *Trendline* issues: economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html

It is my (rational) expectation, that the current hiring is the beginning of a focused effort to continue building and rejuvenating our faculty over the next two-three years, including further recruiting in macro, applied microeconomics, econometrics, and other high-demand fields. So, I think you can expect to see many new names and faces on our faculty roster in the next few years. I venture to bet that one thing will remain unchanged: our commitment to leadership in economics research, to passing our passion for economics to our students, and to equipping them for lasting successful careers – all the

(continued)



Michael Kaganovich



From the Chair (cont.)

things that I hope make you proud of your *alma mater*.

I think I can conclude that the state of the department is strong and that its future is bright! Your partnership plays crucial roles in helping us achieve these goals and means more to us than you know. Let me bring up just a few recent examples: the generosity of many of you (please see the New and Enhanced Funding and Support section for the list of some new and ongoing donor initiatives) is allowing us to make our undergraduate degrees affordable for more students, including those who are in the first generation of attending college in their families, to reward our Ph.D. students who excel in undergraduate teaching (a big and indispensable factor in our ability to offer a richer menu of classes), and to help the activities of our undergraduate Econ Club.

Let me use this opportunity to express my sincere gratitude on behalf of my colleagues and students for all your generous support over these years. It has been (and still is) my privilege to serve the IU Economics family as the department chair and I look forward to keeping in touch. We'd love to hear the news in your life and career, and of course your thoughts and advice about the course of the department. Please accept my colleagues' and my best wishes for the holidays and for a happy and healthy New Year!

Michael Kaganovich
Professor and Chair



Congratulations to Robert Becker! (cont.)

Among Professor Becker's scholarship cited in the award are his contributions to capital theory, foundations of recursive utility, and economic dynamics with heterogeneous agents. In the latter area, the award underscored his contribution to addressing Ramsey's conjecture about the outcomes in dynamic economies where agents differ in their rates of impatience. The ceremony was followed by an International Workshop in Economic Theory in Professor Becker's honor. It included talks by leading scholars from across Europe as well as by the awardee himself.



Robert Becker

Related Materials online:

economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html

Alumni:

***We would like to hear from you!
Tell us news of your career so we can include your
updates in a future newsletter.***

email to: econalum@indiana.edu

New and Enhanced Funding and Support (cont.)

Donor Establishes the Ulrich F. Ernst Student Assistance Fund in Economics

The Department of Economics is honored to announce the establishment of the Ulrich F. Ernst Student Assistance Fund in Economics. Ulrich F.W. “Rick” Ernst studied economics at the Freie Universität, Berlin and the Christian-Albrechts Universität’s Institute for World Economy, Kiel, Germany. He then earned his M.A. and Ph.D. in Economics at IU in 1967 and 1973, respectively. Nicolas Spulber was chair of his dissertation committee. Read about Dr. Ernst’s life and successful career here: economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html. His surviving spouse, **Dianne C. Tsitsos**, established the Ulrich F. Ernst Student Assistance Fund in Economics to celebrate her husband’s life and work, and particularly his interest in supporting and mentoring new generations of economics scholars. The department is sincerely grateful for this support.

Donor Establishes the Department of Economics Student Assistance Fund

The Department of Economics is honored to announce the Department of Economics Student Assistance Fund established by a **donor who wishes to remain anonymous**. The donor earned a B.A. in Economics at IU and wishes to express his gratitude for the training received in economics and provide support for future generations of students, both in their curricular and their co-curricular pursuits. The department is very appreciative of this new fund.

Robert N. Johnson (B.A. Economics 1988) has announced enhanced funding for the Robert N. Johnson Economics Encouragement Scholarship which he initiated in 2017. It is awarded at our annual Spring awards reception, to an economics major who is in or will be entering their senior year who has demonstrated academic excellence throughout their studies. Mr. Johnson has also been a supporter of our undergraduate career trips. Read more about Mr. Johnson in an article he wrote for the 2015 *Trendline*, economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html, pp. 25-26. We deeply appreciate Rob’s friendship and continued support.

Susan C. Thrasher (B.A. Economics 1974) has announced new funding for our doctoral students who excel as Associate Instructors. Susan has been generously supporting the department and our graduate students over many years. She initiated the Susan C. Thrasher Fellowship which was awarded to graduate students in Economics who had a record of academic excellence with preference given to a student writing his/her doctoral dissertation. The department is deeply grateful to Susan for the new commitment and her dedication to the department.

James K. Bergstrom (B.A. Economics 1999) recently assumed the position of Co-Chief Investment Officer at the IU Foundation and his wife **Amy L. Bergstrom** (B.S. Business, Computer Information Systems, Kelley School of Business, 1999) have been generous supporters of the department and have shared their plans for continued support. Jim and Amy, we are honored by your friendship and commitment to the department.

Ike Brannon (M.A. Economics 1989, Ph.D. Economics 1993) and **Stephen M. Lewarne** (M.A. Economics 1991, Ph.D. Economics 1992) are strong supporters of the Daniel J. Duesterberg Travel Award and have recently contributed significant new funds to it. This award honors the memory of Dan Duesterberg, an Economics Ph.D. alumnus, by providing travel funding for our Ph.D. students to present their research at conferences. Thank you, Ike and Steve!

Advances in Econometrics Conference and Festschrift in Honor of Joon Y. Park (cont.)

involved discussions on the critical topic, the past, present and future of econometrics in four major fields of econometrics -- macroeconometrics and empirical macro, microeconometrics and empirical micro, financial econometrics and empirical finance and big data analysis, machine learning and computation, and to present papers from the frontiers of econometrics research.

Over one hundred thirty scholars from around the world gathered to celebrate the achievements and contributions of Joon Park as a researcher, mentor, and academic leader. The participants were Professor Park's former students, collaborators, colleagues, and friends. The conference organization was led by Professor Yoosoon Chang, along with Professors Sokbae "Simon" Lee (Columbia University) and J. Isaac "Zack" Miller (University of Missouri). The conference was originally scheduled for the fall of 2020 before the COVID pandemic emerged. It took Professor Chang's vision, hard work, and perseverance to make the event of this magnitude happen with great success that it did.

Professors Chang, Lee and Miller served as the co-editors for the production of a two-part *Volume 45 of Advances in Econometrics* which contains 28 outstanding papers on time series methods and applications in various fields of economics, all dedicated to honoring Professor Park.

For more details of the volume, please visit the publisher's website listed on the newsletter link page: economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html.



Rick Van Kooten, Executive Dean of the College of Arts + Sciences, welcomes attendees to the AiE Conference.



Conference attendees in the Tudor Room at the Indiana Memorial Union



AiE attendees

Professor Thomas B. Fomby (Southern Methodist University), Senior Co-editor of *Advances in Econometrics* of Emerald Publishing, initiated the publication process and provided support throughout the process.

The conference received generous support from Indiana University, the College of Arts and Sciences, the Paul H. O'Neill School of Public and Environmental Affairs, the Department of Economics, the Center for Applied Economics and Policy Research, the University of Missouri, and STATA.

The conference began with opening remarks by Professor Chang, Executive Dean of the College of Arts and Sciences Rick Van Kooten, and Chair of the Department of Economics Michael Kaganovich, among others. Notable moments during the conference were panel discussions by leading researchers at world-renowned institutions and a dinner keynote lecture by Nobel Laureate Lars Peter Hansen from the University of Chicago. The panel discussions focused on the past, present, and future of the field of economics and econometrics. It was a great opportunity to hear leading scholars' thoughts on what has been achieved in the field, what are currently important and active topics of research, and where the discipline is heading or should be heading.

The following are a few notable discussions:

The economists discussed the importance of reconciling macroeconomic modeling and time series econometrics to better analyze the real-world economy and provide suitable policies. They acknowledged the contribution of Joon Park in bridging the gap between the two.

They also shared their thoughts on the recent advancement of AI and machine-learning technologies and the role of economists and econometricians in this fast-paced era. The economists showed how AI can provide collaborative tools rather than be a threat to researchers. They also argued about the limitation of predictive models of AI and how tools of causal analysis developed by



A presentation at the AiE Conference



Lars P. Hansen Nobel Prize Laureate in Economics delivers keynote speech at conference dinner.



Lars Hansen and Joon Park



Joon Park (left) enjoying the festivities in his honor.

Advances in Econometrics Conference and Festschrift in Honor of Joon Y. Park (cont.)



Joon Park



Yoonsoon Chang and Joon Park together in their personal and professional life.

economists should be augmented to these models. This will be important in using AI to enhance our understanding of society and to interpret AI algorithms themselves.

Nobel Laureate Lars Hansen gave a dinner lecture on uncertainty and economic policy. He lectured on the importance of considering uncertainty in economic modeling, stating that a better understanding of the sources of uncertainty in the economy will make economic policy more effective. For example, he argued that measuring the social cost of climate change is important for making social investment in green research and development. In conclusion, Professor Hansen spoke on the efforts by economists to accurately gauge the uncertainty within economic models and, subsequently, in the decision-making processes, in order to provide more prudent yet precise policy recommendations.

The conference had an extremely successful social aspect, marked by many jovial moments, a friendly atmosphere, and delicious Korean food. Throughout the conference, people warmly congratulated Professor Park for his contributions to the profession, sharing their memories. Overall, the conference brought econometricians working in various fields of economics together, both in their respect for Professor Park and in their vision for the future of their beloved econometrics profession.

Read the conference program here:

economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html

The presentations files, summaries of panel discussions, and photos will be uploaded on the conference webpage, so you can check them out when you get a chance.

economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html



We asked several conference attendees to share their thoughts about the Advances in Econometrics Conference in Honor of Professor Joon Y. Park.

Christian Matthes

Professor, Department of Economics, Indiana University

On September 29th and 30th, IU's Department of Economics had the distinct honor of hosting some of the world's foremost econometricians, including the 2013 Nobel laureate Lars Peter Hansen. The purpose of this gathering was to celebrate and pay tribute to our esteemed colleague, Joon Park, for his profound contributions to the field of econometrics. It is safe to say that such a concentration of top econometricians happens rarely, with many participants noting that they have *never* seen anything similar.

The organizers interweaved various sessions covering the vast field of econometrics with panel discussions that delved into specific subfields within the discipline. One particularly memorable moment for me was the panel discussion on empirical macroeconomics, moderated by IU emeritus Eric Leeper. The panel featured five distinguished participants: Marcelle Chauvet from the University of California, Riverside; Steven Durlauf from the University of Chicago; Lutz Kilian from the Federal Reserve Bank of Dallas; former IU faculty member Esfandiar Maasoumi, now at Emory University; and Frank Schorfheide from the University of Pennsylvania. Together, they not only highlighted the rich history of empirical macroeconomics but also underscored the intriguing challenges it faces today.

As graduate students and colleagues, we find inspiration in Joon's insights and contributions. What truly distinguishes him, however, is his remarkable humility and kindness. Thank you Joon!

It is safe to say that such a concentration of top econometricians happens rarely, with many participants noting that they have never seen anything similar.

Juan Carlos Escanciano

Research Chair in Economics and Full Professor, Universidad Carlos III de Madrid
Formerly Department of Economics, Indiana University

What a wonderful conference honoring Joon Park! On September 29-30, 2023, the Economics Department at Indiana University hosted a fantastic event celebrating the career of Joon Y. Park. Joon has made fundamental contributions to various areas of econometrics, most notably in non-stationary time series analysis. He has played a significant role in training and mentoring the "Korean econometrics school" and has served as a role model for many generations of young econometricians worldwide, including myself. Joon's kindness, friendship, and open heartedness extend beyond the professional sphere. The conference attracted an impressive array of some of the most influential researchers in econometrics, a testament to Joon's professional and personal stature within the field.

On a personal note, attending the Advances in Econometrics (AiE) conference in honor of Joon was a heartfelt and profoundly emotional experience for me. It felt like coming back home. The conference brought together many of my beloved friends, colleagues, researchers, and institutions in one single place. The beautiful IU Bloomington campus and the marvelous IMU building bore witness to the complete success of the organizing committee, led by the endlessly energetic Yoosoon Chang, and the unwavering efficiency of the IU Econ staff, including Howard, Chris, Paulette, and many others. My heartfelt thanks go to all of them for making this conference possible. I am also deeply grateful to Tom Fomby, Senior Editor of AiE, for sponsoring this conference and allowing me, early in my career, to be part of the AiE family. Thanks are due to the Economics Department at IU for hosting this exceptional conference and

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showcasing to the world the outstanding human capital present in the IU Economics Department in Bloomington, Indiana. Last but certainly not least, my sincere gratitude goes to Joon Park for being an inspiring role model. I am profoundly thankful to all of them for allowing me to be part of this extended IU family.

Steven Durlauf

Steans Professor in Educational Policy
Director of the Stone Center for Research on
Wealth Inequality and Mobility
Harris School of Public Policy, University of
Chicago

Indiana University’s Advances in Econometrics Conference, held in honor of Joon Park, is a tribute to Joon’s preeminence as a scholar as well as the vibrant IU intellectual community of which Joon is a vital part. Outside of annual meetings of professional societies, the conference was surely the most impressive econometrics meeting of 2023, attracting a remarkable set of scholars from across the world and covering an equally remarkable range of research areas.

A major part of the two days involved honoring Joon in conversations and speeches large and small. But the bigger honor that was done to Joon involved the way that the conference highlighted his deep and lasting contributions to econometric theory. Whether one considers nonstationary time series, models of switching statistical regimes, high frequency data, or functional data analysis, Joon has developed tools that not only exhibit the highest mathematical sophistication, pushing the methodological frontier, but also matter for empirical work. Whether one considers macroeconomics, finance, climate change or inequality, our understanding of substantive

phenomena has been greatly enhanced by the tools Joon has created. Joon Park econometrics has enriched the study of macroeconomics, finance, climate change, and inequality. As such, this places Joon among the giants of the economics profession.

J. Isaac “Zack” Miller

Professor and Associate Chair, Department of
Economics, University of Missouri

Yoosoon Chang (Professor of Economics, Indiana University), Sokbae “Simon” Lee (Professor of Economics, Columbia University), and I (J. Isaac “Zack” Miller, Professor and Associate Chair of Economics, University of Missouri) co-organized a conference hosted by the IU Department of Economics in honor of Professor Joon Y. Park (Professor of Economics and Wisniewsky Professor of Human Studies, Indiana University) on September 29-30. The conference was originally scheduled for 2020 to coincide with Professor Park’s 65th birthday and submission to a volume of Advances in Econometrics that the three of us edited in honor of him. The volume was published earlier this year and included contributions from many of the conference participants.

To convey the importance and impact of the conference, I paraphrase two very well-known econometricians who attended. One said off-hand to me that if a bomb went off it would wipe out the econometrics and particularly time series econometrics profession. Another said publicly during the conference that he was unlikely to see such a large group of notable econometricians in the same place in his lifetime. And, yes, that gathering happened not in Cambridge or Berkeley or Oxford, but right here in Bloomington.

Following the success of similar Advances in Econometrics branded conferences, I urged Professor Chang to consider organizing the conference. Although I’ll claim a small amount of credit along with Professor Lee for urging Professor Chang to consider such a conference, organizing the program, and securing some of the funding for the conference, the vision,

“Whether one considers macroeconomics, finance, climate change or inequality, our understanding of substantive phenomena has been greatly enhanced by the tools Joon has created. ... As such, this places Joon among the giants of the economics profession.”

detailed execution, and ultimate result of this fantastic conference were borne out of Professor Chang's hard work, love, and admiration of her partner in her personal and professional life, Professor Park.

I first met Professor Chang in 2000 and Professor Park in 2002, when he moved to Rice University, where I was a Ph.D. student. Professor Chang had recently received tenure, and after working abroad and particularly at Seoul National University for many years, Professor Park was recruited and moved back to the U.S. to be near her. This began a close multidecadal research collaboration between the two of them at Rice, then at Texas A&M, and now at IU. I was the first Ph.D. student to directly benefit from this collaboration, and I continue to collaborate with them on research projects two decades later.

A cliché, but a true one: it has been my honor to work with Professors Park and Chang over the years. How do they get so much done? They utilize comparative advantages between themselves and their collaborators, who are often their former students who they trained and know well. Both hold themselves and those around them to the highest and most rigorous standards, and both are outstanding researchers in their own right. But while Professor Park focuses on theoretical development and initiation of research, Professor Chang focuses on the logistical development and completion of research. Additional collaborators help anywhere in the process that is most useful, such as coding, data work, or writing up and pitching the results.

Jihyun Kim

Associate Professor, Department of Economics,
Sungkyunkwan University
Research Associate, Toulouse School of
Economics

The conference in honor of Joon Y. Park is indeed a remarkable occasion. Without question, Joon has made noteworthy and enduring contributions to the field of econometrics, delving into a wide array of intricate subjects such as nonstationary time series, continuous-

time econometrics, financial econometrics, and functional data analysis. My inability to attend this celebration weighs heavily on me.

From 2009 to 2014, I had the privilege of being under Joon's mentorship during my Ph.D. years, and I have always been impressed by his approach to tackling exceedingly complex and abstract problems. Throughout my doctoral journey, Joon and I regularly met for lunch at a local sandwich place. At that time, I was interested in the asymptotics of nonlinear transformations of continuous-time processes, which could be nonstationary or stationary processes with fat tails. We'd sit down with our pens and sketch out the math on napkins. We went through a ton of napkins because we were aiming for a really broad theory. We ended up collecting all those scribbled napkins and turned them into our first paper, which was published in the *Journal of Econometrics*. It's still my all-time favorite paper.

Joon's role in my life extended far beyond that of an academic advisor and co-author. Following the completion of my Ph.D. at Indiana, my first job was as an assistant professor at the Toulouse School of Economics. It was there that I forged a friendship, which transcended the professional realm later, with Nour Meddahi who is also a very close friend of Joon. Together we wrote our first paper that is closely related to Joon's work on the nonlinear transformation of continuous-time processes. Within the context of that paper, our focus was directed towards the study of volatility regression under fat tails. The crux of our contribution lay in unveiling the spurious nature of volatility regression under such conditions, with the Ordinary Least Squares estimator converging to a stochastic variable. In our quest, we drew extensively from the technical foundation laid by Joon, who also offered invaluable insights and feedback.

In conclusion, Joon is more than a mentor or co-author to me; he's like family. While my absence at this conference is deeply regrettable, I eagerly anticipate the opportunity to reconnect with Joon and Yoosoon.

Faculty { Remembrance }

George M. von Furstenberg passed away on December 13, 2022.



Robert A. Becker

Professor

Department of Economics

Indiana University

I met George just before the fall 1976 semester started. I was a new hire then, but we'd not been introduced during my job market visit. George and Jeff Green were serving as staff members on the President's Council of Economic Advisers in that period. George and Gabrielle were extremely welcoming to me and he helped me orient to life in the academy. Indeed, we discussed many topics and I instantly recognized George had a command of a substantial body of economics that was much broader than his immediate research project. His work ethic and professionalism influenced my career approach going forward.

George always seemed to have a very well-defined research project at hand. He had a knack for finding financial support – often from private foundations. His interest at that time was

clearly focused on financial markets and related insurance markets. He was always incredibly helpful to his graduate students. I saw this with his joint work with Burton Malkiel and then graduate student, Harry Watson, that culminated in a 1979 *Journal of Finance* publication on Tobin's Q, an important metric in valuing stock market returns. When George moved to the IMF, he asked me to supervise Harry's thesis as he felt it would be improper to continue as the dissertation committee's chair given his IMF commitments. However, he remained on the committee and provided excellent feedback as Harry's project moved towards completion. I took George's nomination of me as the committee chair to be a compliment but knew I could not manage alone and was grateful he maintained an active membership on Harry's thesis committee.

One aspect of George's career path was his profound desire to mix academic life and also spend time in Washington in policy research and interaction with decision makers. His ability to work across two very different research environments was impressive. More importantly, he kept his ongoing research closely tied to current policy questions in the financial markets whether domestic or international in scope. Indeed, a substantial part of his career after his IMF period was attuned to international financial economics matters. All of George's projects yielded publications either in important journals or edited volumes.

George's projects were constant sources for intense work periods. Once completed, he immediately changed course to a new project. There was one particular project that I remember around 1990 that was radically different from his other works. He organized a multidisciplinary workshop under the topic head: Acting Under Uncertainty. He was funded by an internal IU grant for multidisciplinary research. It involved IU faculty across several departments as well as leading scholars at other universities. My recollection is participation ran across fields in the humanities, social and natural sciences.

Faculty { Remembrance }

Papers developed by the workshop's participants were published in his edited collection, *Acting Under Uncertainty: Multidisciplinary Conceptions*, Kluwer Publishing, 1990. It appeared in Kluwer's series on Theory and Decisions devoted to philosophical and methodological issues. This collection was prescient as multidiscipline debates over decision theory's foundations and search for alternative formulations of decision criteria became an increasingly important topic that remains so to this day.

I was involved with some elements of the Uncertainty workshop, but not a core participant. However, Jim Bullard, then a graduate student, was an active member of the workshop. Jim's first published paper on learning in rational expectations appeared in the edited volume. As Jim's thesis proposal moved more towards pure theory and dynamical systems techniques George asked me to take over the committee chairmanship. As before, he remained an extremely active committee member. George was always concerned with getting first rate work from his doctoral students and frequently co-authored papers with them. He was no less committed in Jim's case. Indeed, Jim's published work on learning in rational expectations macroeconomic models initiated in the workshop carried over to a number of influential papers. Jim had a great opportunity provided by George's willingness to have serious conversations with many scholars looking at uncertainty from different perspectives. Jim's important contributions to rational expectations macroeconomic modeling began by his asking questions on the foundations of those models that might only be well-received at a table of researchers representing vastly different viewpoints. Jim's first job was in the research department of the St. Louis Fed. He was hired based on his dissertation research on rational expectations learning models that began in George's project. Jim rose through the ranks to become the bank's President in 2008 and an

“George’s major comings and goings were important features of his professional career. The department was always better when he was here.”

important voice in the Federal Open Market Committee's deliberations on monetary policy. He served in that capacity for fifteen years!

One of the first meetings I had when I started as the Department's Chair in 1996 was to ask George if he'd be willing to teach an undergraduate seminar course on the North American Free Trade Agreement (NAFTA). He was fully engaged with the economic consequences of that treaty. He even learned Spanish in order to read Spanish language documents associated with NAFTA. George liked my suggestion; he had one question: Could he assign documents written in Spanish? I suggested he could use them as optional for students capable of reading them as an alternative to reading their official English translations. He added that option in the syllabus. He drove home NAFTA's consequences for Bloomington using field trips to help students see how a treaty can impact a local community. The class was a huge success.

George was a genuine department leader on the basis of his research and professional reputation. However, he also had a service side focused on recruiting new colleagues, Chris Waller being his most important hire. He created the first departmental governing documents with Bill Witte and contributed to the department's first strategic plan during my first term as Department Chair. George could be aggressive in faculty meetings. However, his arguments were always well thought out. One way he did this was to read aloud several pages of a handwritten speech. I cannot think of a single vote George lost when he went so far as to read his thoughts at the faculty meeting!

I always enjoyed talking with George about economics or even domestic and foreign politics.

(continued)

Faculty { Remembrance }

After he retired in 2006 his office was moved to one in an alcove near mine. He also took up an important position at the National Science Foundation's Economics Directorate as a rotator for 3 years. When in Bloomington he would work in his office. We'd have random meetings and discussions. He took great care throughout Gabrielle's illness to make sure they shared long walks and went to social events together. He managed his own illness with courage and grace. I remember our last meeting before he moved to San Francisco to be closer to his son, Philip.

George's major comings and goings were important features of his professional career. The department was always better when he was here.

Willard E. Witte

Associate Professor Emeritus
Department of Economics
Indiana University

George von Furstenberg arrived in Bloomington in 1973 and retired in 2006. For most of that period he was the department's central pillar in macroeconomics. For all those thirty-three years he was a role model as a scholar, teacher, mentor, and colleague.

George was born in 1941 into an upper-class German family whose position was maintained after World War II. As fitted his social position, from 1955-1958, his early education was at The Oratory School, a Roman Catholic boarding school for boys located in Southern England. George was, however, the fifth son in his family, and he decided that his prospects for individual success in Germany would be limited. Instead, at age 19, he chose to emigrate to the United States, a decision that led to a period of estrangement from his family.

He arrived in this country essentially penniless. Undaunted he went to work (for a time on the docks of New York City), while taking college coursework initially in night classes at City College of New York (where there was

no tuition), but then at Columbia University graduating *magna cum laude* in 1963. This led to a fellowship for graduate study at Princeton culminating with a 1967 Ph.D. in Economics.

During the next decade and a half George moved back and forth between positions in academics and government, beginning in the former realm with an assistant professor position at Cornell. In 1971 he arrived at IU as an associate professor, with promotion to full professor following in 1973. He then shifted to the public sector with a stint as Senior Staff Economist at the President's Council of Economic Advisers, following which he returned to IU. In 1978 he began five years at the International Monetary Fund as Chief of the Financial Studies Division. The length of this appointment required George to resign from IU. But in 1983 he was rehired, this time as a Rudy Professor. Department Chair Mike Klein announced his return with a Churchillian "George is back" email to the department. He remained on our faculty until his retirement in 2006, with a two-year absence from 2000-2002 when he was at Fordham.

George was a prolific scholar producing a continuous stream of publications stretching from the late 1960s into the second decade of this century. His early work focused on topics related to mortgage finance markets, but by the time he first arrived at IU had shifted to a broader (and more important) concern with the interaction of corporate and government finance with the overall macroeconomy. Then, circa 1990 and for the rest of his career his work shifted mostly to various aspects of international finance. Much of his later work was joint with colleagues and graduate students at IU.

I arrived at IU while George was on his hiatus at the IMF. When he returned, and for most of the following decade we shared the teaching of the graduate core sequence in macroeconomics. It was a good partnership that produced a considerable number of students who have gone on to excellent careers related to macro in academics, government, and the financial sector.

Faculty { Remembrance }

During this same period, we also did most of the department's recruiting in macro. This meant sitting in hotel rooms at the annual post-Christmas convention of the American Economic Association interviewing long strings of potential hires. George was not one to suffer fools gladly, which could make for some uncomfortable moments. But there were also high points. Probably the best was in 1985 when the convention was in New York. Our list of candidates included a student completing his Ph.D. at Washington State University, not a program that we would normally recruit from. But his thesis advisor was a very competent economist, so we gave him a look and then a job offer, which he accepted. His name was Christopher Waller. He remained at IU for 13 years, then moved to chaired positions at Kentucky and Notre Dame, and finally to the Federal Reserve where he is now on the hot seat as a member of the Board of Governors.

Throughout his career George served as an important role model for all around him – both within and beyond the department. At his retirement reception in 2006 Moya Andrews, then Dean of Faculties, related that earlier in her career George had taught her how to efficiently conduct a meeting. He understood the importance of rules and procedure. In 1999 he and I collaborated on a complete revision of the department's by laws.

On a more personal level, for a couple of years we regularly played tennis. The first time we played I expected that he would have a traditional game with solid ground strokes and perhaps a serve and volley aspect. That seemed to somehow fit his tall, slender build. Instead, he hit nearly every shot with a variety of spins, often slice, which I found totally perplexing. It was also very effective, and he won most of our matches.

George never lost his patrician upbringing. He knew (and exercised) aspects of proper grammar that I didn't even know existed. By the time I met him, his relationship with his family had been

“Bringing George back to IU was perhaps the best hiring decision by the department during my time here. His passing is a great loss to our profession and to me personally.”

repaired, and most summers he spent time at the family estate in Germany. On one occasion, while he was there, I had a need to talk with him (I don't remember why) and gave him a call at mid-morning German time. I got through to Gabrielle, his wife, and learned that George was hunting, which meant going to a shooting location toward which staff would drive game.

George was a gentleman who had unfailingly good manners. I don't ever recall seeing him visibly angry. His love for Gabrielle was deep. Her slow decline during the period before her death in 2019 took a visible toll on George.

Bringing George back to IU was perhaps the best hiring decision by the department during my time here. His passing is a great loss to our profession and to me personally.

Russell (Russ) H. Hillberry

Ph.D. 2000

Professor, Department of Agricultural Economics
Courtesy Appointment Department of Economics
Purdue University

George von Furstenberg was my Ph.D. advisor. He took a hands-off approach, letting me write my own thesis. But he had a profound influence on my career nonetheless. There are three important ways that he shaped my career.

In his third-year course in International Finance he taught a then-recent paper that had estimated the value of trade within Canada to be more than twenty times larger than Canada-U.S. trade, after adjusting for the effects of distance. This “home bias” in regional trade was to be my dissertation topic, and related issues have been an important part of my research ever since. I was interested

(continued)

Faculty { Remembrance }

in this topic, but in our first meeting I also told George that I wanted to be a Macroeconomist, not an International Trade economist. He told me that I could call myself whatever I wanted, but I should not let labels determine my research agenda. I should work on important topics that interest me. I decided that this would be my topic, and the rest is history.

A few weeks after he lectured on the paper, I turned in a sketch of a research plan that relied solely on economic theory to explain the observed home bias in trade. George told me that I would not have an impact on this literature unless I first went out and found new data. Luckily for me, the U.S. Census Bureau had just begun releasing a revamped data set that tracked U.S. commodity flows. I was one of the earliest users of this data, and that fact launched my research career. The field of international trade was transitioning from theory to empirics, and the empirical focus of my dissertation helped me to catch that wave. More generally, I learned from George that discovering and analyzing new data is one of the most reliable ways to do impactful research. It is a strategy that I continue to follow today.

Some time in the middle of my dissertation work, I had turned in a draft chapter and we met to discuss it. George handed me back the paper with the first page covered in red ink and said, “Today is the day you learn to write like a professional. You need to understand that your readers will be actively trying to misunderstand you. You have to write so clearly that it will be impossible for them to do so.” That was a long meeting. We went through the first few pages of the document one sentence at a time. After I read each sentence aloud, he would say, “Is that

exactly what you mean?” or “Do you mean this, or do you mean that?” I would explain what I meant, exactly, and then we would craft a precise sentence conveying the precise thought. That day he taught me to always sweat the language. The importance of precise writing has probably been more important for my career than any other lesson he taught me.

I think it is fair to say that many graduate students of my generation were scared of George. He taught the second course of the first year Macro sequence, and that was by far the most dreaded first-year course. George was intimidating, but mainly because he demanded excellence. When you did something well, he would let you know that he was proud of you. For example, he was very happy to learn that I had downloaded my data from the internet. (This was the mid- to late-1990s, and that was then a new way to acquire data.) He was also effusive in his praise of my dissertation, once it was completed.

Rasmus Ruffer

Representative of the European Central Bank in Washington, D.C.

European Central Bank

George was the chairman of my dissertation committee or, as we would say in Germany, my Doktorvater (doctoral father). One of the main reasons why I wanted to work with George for my dissertation was his strong policy focus. In his work and teaching it always seemed very important for him that academic questions addressed real policy issues. The relevance of the question answered was more important to him than abstract methodological and theoretical advances.



Faculty { Remembrance }

He was a very demanding thesis advisor and tailored his support to what he saw as most helpful for the academic and personal development of his students. In my case, he gave me a lot of freedom to form my ideas independently while at the same time providing intellectual guidance and other support, such as inviting me to attend a conference in Toronto which he had organized. Also, through the Horstman Fellowship, he allowed me to focus for some time entirely on my dissertation work.

As he told me, George expected his students to be fully dedicated to academic work during the Ph.D. years and was not positively inclined to matrimony during that period. Fortunately, this attitude turned out to be more abstract than real, and he was very happy for me and my wife when I announced our plans to get married - before finishing my dissertation. He surprised everybody at our wedding with his enthusiasm and his unique and extravagant dancing style, which he enjoyed with abandon. When I mentioned to my mother that I was writing in memory of George she recalled the fact that he was very attentive and took very good care of her and my father during the wedding as they were limited in their ability to communicate with the mostly non-German speaking guests.

George also supported me in my decision to take up a full-time professional job at the German central bank although I had completed only two of the three dissertation chapters. Once I started working, our interactions were largely through email. I, however, remember in particular one in-person meeting at his brother's "place" near Cologne in Germany. That brother was

the first-born and therefore had inherited the family "place" - an impressive castle somewhere near Cologne. He apologised that people in the town referred to his brother as "the baron," but this fact was useful to know when asking for directions. Before we talked shop, I joined a family dinner with "the baron" who had just returned from a hunt in his forests. It was a most memorable setting for discussing progress on my analysis of systemic banking crises.

Even after I finally was done with my dissertation, I remember several occasions when we managed to meet in person despite the long distance. On one occasion, he invited me to his home in the suburbs of New York City, while he was at Fordham University. We had a lovely dinner with his wife in a local restaurant. In addition, we also met several times in Frankfurt and in Bloomington.

While I am not a fan of aristocracy, George seemed to personify some of the more positive aspects of German aristocracy. In particular, he exhibited a strong sense of duty for public service. He also showed strong loyalty and dedication, not only to his students but especially toward his wife, who he cared for admirably in the difficult later years of her life.

I would like to reiterate what I wrote in the dedication section of my dissertation and thank George for his support, encouragement, generosity, patience and above all for the intellectual stimulation that he provided during the years of my doctoral studies.

TRENDLINE



Around the { Department }

IU Economics Hosts Ostrom-Smith Conference on Experimental and Behavioral Economics

By Daniela Puzzello

On Saturday, April 8, 2023, faculty members and graduate students from the IU Department of Economics and the Purdue University Department of Economics, gathered to attend the fifth *Ostrom-Smith Conference on Experimental and Behavioral Economics*. True to its name, this joint conference draws upon the deep tradition of experimental economics at IU and Purdue. With the exception of the pandemic years, the conference alternates annually between IU and Purdue, and was first held in Bloomington in 2017. **Daniela Puzzello**, professor of economics at IU (Ph.D. graduate of Purdue), and **Tim Cason**, distinguished professor of economics at Purdue (former IU undergraduate), organized the 2023 conference.

In addition to facilitating the dissemination of new ideas and fostering collaborations between IU and Purdue researchers, the conference provides a platform for mentoring and advising emerging scholars. Indeed, in line with tradition, conference presenters were for the most part graduate students, postdoctoral fellows, and assistant professors.

The conference this year began with a session discussing applications of experimental methods to macroeconomics, highlighting that experimental methods are now commonly used to address questions in nearly every field of economics. Over the last several decades, economics has seen advances in micro-founded macro models, as well as computerized platforms, that enable researchers to conduct complex, large-scale, experiments and integrate decision making by representative households. In turn, these advances mean that it is now both possible and appropriate to use controlled laboratory experiments to study economic decision making in fields such as macroeconomics, fields that historically were not deemed conducive to experimental approaches. Other sessions in the conference this year covered a wide range of topics including novel applications of experimental methods to game theory, market design and behavioral political economy.

Conference Presenters 2023

Sergii Drobot (Indiana Univ.), “The Role of Social Media in Expectations Formation”

Marcos Cardozo (Purdue Univ.), (IU Econ Ph.D. 2022), “On the Emergence of International Currencies: An Experimental Approach”

Rupal Kamdar (Indiana Univ.), “How Do Households Respond to Expected Inflation? An Investigation of Transmission Mechanisms”

Jieqiong (Cicy) Jin (Purdue Univ.), “Behavioral Spillovers in Cooperation Games”

Daniela Valdivia (Indiana Univ.), “Sequential Play in the Minimum Effort Game”

Chris Brown (Purdue Univ.), “Local Inequality and Own Rank Preferences”

Yaroslav Rosokha (Purdue Univ.), “Evolution of Cooperation in the Indefinitely Repeated Collective Action with a Contest for Power”

Xinxin Lyu (Purdue Univ.), “Pay for the Privilege: Does a Global Club Good Opportunity Ruin Local Public Good Provision?”

Alexander Marchal (Purdue Univ.), “Trust and Welfare Effects of Revealed Reputations in Information Cascades”

Dawoon Jeong (Purdue Univ.), “Efficiency and equity of posted price markets for irrigation water: experimental evidence”

Junya Zhou (Purdue Univ.), “Happiness Dynamics, Reference Dependence and Motivated Beliefs in U.S. Presidential Elections”

Around the { Department }

2023 Meeting of the Midwest Econometrics Group

This year, the Federal Reserve Bank of Cleveland was the host of the 2023 Midwest Econometrics Group (MEG) meeting which took place on October 12-13. **Professor Yoosoon Chang**, an econometrician in the IU Bloomington Department of Economics, is the Director and Coordinator of the MEG which was established in 1991.

The Department of Economics was well represented at this meeting. Our faculty members **Yoosoon Chang, Joon Park**, and **Laura Liu** were joined by our recent Ph.D. graduates **Eunhee Lee** from Gyeongsang University, Korea and **Guo Yan**, now at the University of Melbourne, as well as **Michael DeDad**, IU Econ Ph.D. 2020, Assistant Professor at The University of Akron. Our Ph.D. student participants included **Doyeon Pyun, Sangmyung Ha, Naoya Nagasaka**, and **Chao Wang**; all presented and competed for the inaugural Best Student Paper Award.

As always, Yoosoon Chang organized, together with a local organizer, the mentoring workshop for junior female economists that she started in 2013 when she organized the MEG meeting in our department. Upon request from the Committee on the Status of Women in Economics Profession (CSWEP), a subcommittee of the American Economic Association, she wrote an article about this first mentoring workshop in their newsletter in 2014, entitled *Reflections on the MEG 2013 Mentoring Workshop for Junior Female Economists*. According to the Chair of CSWEP, this article serves as a great introduction to a fascinating new mentoring approach. Our recent Ph.D. alumna, **Guo Yan**, now at the start of her economics career, found attending the mentoring workshop highly beneficial.

Article link: economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html

Next year, the MEG mentoring workshop will celebrate its 10th anniversary; it will be held at the University of Kentucky and will host a reunion of all the mentors and mentees who have been matched by the MEG mentoring workshop.

Professor Chang announced that generous support has been provided by **Ken Weakley**, an Associate Clinical Professor in the IU Kelley School of Business, to establish a new MEG tradition of presenting a monetary award for the two best student papers, chosen by the MEG Best Paper Selection Committee. The selection committee consists of two continuing MEG members (Jefferey Wooldridge of MSU and Michael McCracken of St Louis FED), and a member from the local organizing committee (James Mitchell from the Cleveland FED this year). Professor Weakley states: "It is my great honor to be a supporter of your program, one of several I have committed to over the years since my academic career began in 2008. My overriding philanthropic goal relates to my effort to give back to society through educational program support. Education represents to me society's greatest achievement, both because of the selfless effort of educators and unending dreams of students. To be a participant of this process through financial support remains an important element of my life and nothing less than a sublime experience."

Department Hosts Fall Reception

The 2023 Department of Economics Fall Reception was held on October 19 in the beautiful Indiana Memorial Union Federal Room and featured a taco bar. Graduate students, faculty, emeriti faculty, and staff enjoyed good food and conversation. Our alumnus, **Robert Johnson**, was in town and attended our reception. Mr. Johnson is a 1988 graduate and a generous supporter of the department. A highlight of the fall reception was the announcement that our Ph.D. student **Sangmyung Ha** was the Best Third Year Paper Award winner. Congratulations, Mr. Ha!



Robert Johnson (left) and Michael Kaganovich

Faculty { News }

New Faculty 2023

Robert M. Lantis

joined the Department of Economics at Indiana University in the Fall of 2023 as a Senior Lecturer. He studied at Purdue University where he finished his Ph.D. in Economics in 2014. Prior to joining IU, he was an Assistant Professor of Economics at Ball State University where he taught Managerial Economics, Principles of Microeconomics, Business Statistics, and Sports Economics, and served as senior thesis advisor for several students. Professor Lantis' teaching plans at IU include introductory microeconomics, introductory macroeconomics, and introductory econometrics. Most of his current research focuses on the use of sports data to answer microeconomic questions related to individual behavior and the labor market.



Faculty Honors

Robert Becker and **Yoosoon Chang** received a 2023 Trustees Teaching Award for their outstanding teaching. The award honors faculty who have had a positive impact on student learning.

Yoosoon Chang was an invited speaker at the Conference on Inequality and Mobility in Seoul, Korea and at the Conference on Drivers and Levers for Energy Consumption in Riyadh, Saudi Arabia. Professor Chang serves as Advisor to the Organizing Committee of the 2025 World Congress of the Econometric Society which will be held in Seoul, Korea.

Christian Matthes was elected a fellow of the International Association for Applied Econometrics. (see economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html for web address). He gave a keynote address at the Workshop in Empirical and Theoretical Macroeconomics at King's College London.

Faculty Research Funding

Yoosoon Chang is the Principal Investigator of the research project "A Novel Approach to Measuring Intergenerational Mobility" for which the Indiana University Faculty Research Support Program has granted funding for 2023-2024.

Rupal Kamdar has been awarded funding from the Social Sciences Research Funding Program, a highly competitive program administered by the Office of the Vice Provost for Research. The funding will support her project "How do Households Respond to Expected Inflation? An Investigation of Transmission Mechanisms." In this project, Professor Kamdar and her collaborators (**Daniela Puzzello**, **Kelin Lu** (IU Econ Ph.D. 2023), and Janet Jiang) will use survey methods to assess how and why households alter their current consumption in light of higher than expected future inflation.

Ruli Xiao and her collaborators have been awarded funding from the U.S. Department of Agriculture. This funding will support their research project "WIC Contracts and Infant Formula Brand Sales, Shares, and Prices."

Faculty News and Accomplishments

Ala Avoyan co-authored "A Road to Efficiency Through Communication and Commitment," in the *American Economic Review*, forthcoming. Professor Avoyan also coauthored "Planned vs.



Faculty { News }

Actual Attention,” *Management Science*, July 2023 and “Paying for Inattention,” *Economics Letters*, April 2023.

Yoosoon Chang co-authored “Oil Price Volatility, Endogenous Regime Switching, and Inflation Anchoring,” *Journal of Applied Econometrics*, 38, 820-839, 2023. Professor Chang’s joint work with Steven N. Durlauf, **Seunghee Lee** (IU Economics Ph.D. 2022), and **Joon Y. Park**, “A Trajectories-Based Approach to Measuring Intergenerational Mobility,” had several public mentions:

(1) Ben-Achour, S., & Schroeder, A. (2023, May 24). *How your parents’ income throughout your childhood can change your life*. Marketplace. <https://economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html>

(2) Gregory, T. (2023, April 24). Q&A: *Steven Durlauf on inequality, intergenerational mobility, and leading the Stone Center*. The University of Chicago Harris School of Public Policy. economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html

(3) Kulvicki, M., Alpha, N., Semm, K. Video Featuring Durlauf, S. (2023). *The Economics of Childhood*. Institute for New Economic Thinking (Episode 3). economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html

Michael Kaganovich, **Ruli Xiao**, and **Morgan Taylor** (IU Ph.D. 2020) published an article “Gender Differences in Persistence in a Field of Study: This Isn’t All about Grades” in *Journal of Human Capital* (2023), 17(4), 503-556.

Ahmad Lashkaripour co-authored with **Volodymyr Lugovskyy** “Profits, Scale Economies, and the Gains from Trade and Industrial Policy,” *American Economic Review*, 113 (10), October 2023, pp. 2759-2808.

Dean Lueck co-authored with **Gustavo Torrens** and **Julio Alberto Ramos Pastrana** (IU Econ Ph.D. 2020), “Campaign Contributions, Interest Groups, Partisan Politics, and Environmental Polarization in the U.S. Congress,” which has been accepted at the *Journal of Law, Economics & Organization*. He also co-authored with **Julio Alberto Ramos Pastrana** “The Institutional Legacy of the Mexican Rancho System in California,” accepted at the *Journal of Law and Economics*. Professor Lueck will organize the 5th Young Scholars Symposium on Natural Resource Governance to be held in May 2024 and hosted by the Department of Economics.

Daniela Puzzello co-authored “Is Money Essential? An Experimental Approach,” which was accepted for publication in the *Journal of Political Economy*.

Stefan Weiergraeber co-authored “Bidder asymmetries in procurement auctions: Efficiency vs. information – Evidence from railway passenger services,” in the *International Journal of Industrial Organization*, Volume 87, March 2023. Professor Weiergraeber also co-authored “Alert the Inert? Switching Costs and Limited Awareness in Retail Electricity Markets,” in the *American Economic Journal: Microeconomics*, Vol. 15, No. 1, February 2023, pp. 74-116.

Ruli Xiao co-authored “Identification of Auction Models Using Order Statistics,” which was accepted for publication in the *Journal of Econometrics*.



Undergraduate Student { News }

Congratulations to our 2022-2023 Undergraduate Award Winners!



Congratulations to all of our undergraduate student award winners!

The Department of Economics recognizes our most outstanding undergraduate students at our annual Department of Economics Awards Reception. We are delighted to share our students' special achievements and awards that were announced at our April 3, 2023 reception. Michael Kaganovich, chair of the department, hosted the reception.

Elected to Phi Beta Kappa in Fall 2022

Macy Brammer
Jane Hepp
Kris Nikolchev
Leah Roebuck
Sam Shoemaker

Robert N. Johnson Economics Encouragement Scholarship

Macy Brammer
Komal Kumar

Arlington W. Williams Scholarship

Jennifer Blitchok

Carroll Christenson Award

Keeton Gibson

James E. Moffat Scholarship Award for Outstanding Economics Majors

Vijay Chirumamilla
Jane Hepp
Amangul Hydyrova
Leah Roebuck
Dylan Schutte
Andrew Smit

Carrington Scholarships for Outstanding Economics Students

Jakob Hebebrand
Ben Hoham
Corey Jones
Theron Verberg

Robert A. Buccieri, Jr. Scholarship

Nash Devenport
Ralph David Fernando
Sam Shoemaker

Mr. & Mrs. Harold E. Strow Award

Lucy Lippman

Undergraduate Student { News }

Department Hosts Annual Graduation Reception



Congratulations to our graduates!

The department continued the tradition of holding its annual graduation reception to recognize our graduating students and meet their families. Parents, relatives, friends, faculty, and staff gathered on May 5, 2023, to honor our undergraduate and graduate students who graduated in May or August 2023. **Vijay Chirumamilla**, **Lucy Lippman**, and **Theron Verburg** reflected on their undergraduate days as economics majors. Our faculty speakers included Michael Kaganovich, Chair; James Walker, Associate Chair; James Self, Director of Undergraduate Studies; and John Stone, former Director of Undergraduate Studies. Each graduate was individually recognized and photographed with two of our faculty speakers.

Check out the photos of our celebration here:
www.facebook.com/IUBDepartmentOfEconomics/

Graduate Student { News }

Hoosier Economics Conference

The 19th Annual Hoosier Economics Conference (formerly Jordan River Conference), the setting for our Ph.D. students to present the preliminary draft of their third-year research paper, was held on April 28, 2023. MacMillan Education and Pearson Education sponsored a book fair and luncheon. Professor James Self has been the principal organizer of this conference since its inception and Professor Volodymyr Lugovskyy, Director of Graduate Studies, organized the graduate student presentations. After a full day of research paper presentations, the conference concluded with a reception in the Tudor Room at the Indiana Memorial Union. Congratulations to **Sergii Drobot** and **Naoya Nagasaka** who received the Hoosier Economics Conference Best Graduate Student Paper Award.



(From left) Volodymyr Lugovskyy, Director of Graduate Studies; Michael Kaganovich, Chair; and Sergii Drobot

Graduate Student { News }

Congratulations to our 2023 Graduate Award Winners!



Congratulations to all of our graduate student award winners! Michael Kaganovich, Chair (third from left) and Volodymyr Lugovskyy, Director of Graduate Studies (sixth from left)

The Department of Economics recognizes our most outstanding graduate students at our annual Department of Economics Awards Reception. We are delighted to announce the special achievements and award winners from our April 3, 2023 reception. Michael Kaganovich, chair of the department, hosted the reception and welcomed Jackie Hall, partner of late faculty member Lloyd Orr whose generosity established our top graduate student award.

Lloyd Orr Dissertation Fellowship

Byung Goog Park
Jarrod Burgh
Jack Berger

Witney/LeMar Fellowship for Outstanding Graduate Student in Labor Economics and/or Labor Relations

Po-Shyan Wu

Henry M. Oliver Award for Excellence in Graduate Economic Theory

Naoya Nagasaka

Taulman A. Miller Award for Best International Graduate Student in Economics

Do Yeon Pyun

Daniel J. Duesterberg Travel Award

Miles Stevens
Hyeyun Cho
Austin Knies

Frank T. Bachmura Award for Outstanding Graduate Student in Development Economics or Comparative Systems

Vladimir Menshikov

W. Phillip Saunders Award for Outstanding Introductory Economics Associate Instructor

Jarrod Burgh
Miles Stevens

Hoosier Economics Conference Best Graduate Student Paper Award

Sergii Drobot
Naoya Nagasaka

Best Third Year Paper Award (Announced at the 2023 Department of Economics Fall Reception).

Sangmyung Ha

Job Placement for 2023

We congratulate our successful job market candidates!

Guo Yan, University of Melbourne

Kelin Lu, Huazhong University

Rong Fan, Morgan Stanley

Myong Jong Shin, JPMorgan Chase

David Turner, NERA Economic Consulting

Matthew Bush, U.S. Customs and Border Protection

Commencement

The Spring Graduate

Commencement ceremony was held on May 5, 2023, at the Simon Skjodt Assembly Hall. Congratulations to our spring Ph.D. graduates!

(From left) Matthew Bush, Professor Bulent Guler, Rong Fan, and David Turner



Funding hub assists Hoosier communities applying for federal climate and resilience grants

In an article in the September 11, 2023 issue of the *IU Today* online newsletter, we learn how **Homa Taheri**, a Ph.D. candidate in economics and McKinney Climate Fellow, helped connect rural Indiana communities to federal sustainability grants through the Indiana Resilience Funding Hub this summer. The McKinney Climate Fellows program connects undergraduate and graduate students interested in climate, sustainability, and community resilience with career experiences.

As part of her fellowship, she created an introduction to the Biden administration's Justice40 initiative to help hub partners better understand how equity and environmental justice can enhance their grant competitiveness."



(From left) Homa Taheri and other McKinney Climate Fellows

Read more about this effort:

economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html

In Memoriam

The Department of Economics is saddened by the passing of four of our alumni.

Waldsee Merton Prunty, B.A., 1950, passed away on October 19, 2022.

Charles “Charlie” Haley, M.A., 1998, passed away on March 31, 2023.

Arnold “Scott” Hutchinson, B.A., 1981, passed away on May 5, 2023.

Marianne “Vicky” Felton, Ph.D., 1979, passed away on October 7, 2023.

Read about their lives here:

<https://economics.indiana.edu/alumni-giving/newsletters/2023-fall/links.html>



Congratulations Jim Bullard!

In July, **James B. Bullard**, M.A., '87, Ph.D., '90, was named the inaugural Dr. Samuel R. Allen Dean of the Mitchell E. Daniels, Jr. School of Business at Purdue University. Bullard, who spent the last 15 years as the president and chief executive officer of the Federal Reserve Bank of St. Louis, has earned significant praise from experts in business, academic and policy circles for his long-standing leadership and innovative thinking in guiding U.S. monetary policy, including through his service on the Federal Open Market Committee. A noted economist and scholar, Bullard had been the longest-serving Federal Reserve Bank president in the country. His policy impact has been rooted in research-based thinking and intellectual openness to new approaches and analyses. That has allowed Bullard to be an early voice for economic change, helping the Federal Reserve deftly navigate complex economic landscapes such as the financial crisis and the COVID-19 pandemic which occurred during his tenure. Bullard's research has appeared in premier journals, including the *American Economic Review*; the *Journal of Monetary Economics*; *Macroeconomic Dynamics*; and the *Journal of Money, Credit and Banking*. Bullard served as an honorary professor of economics at Washington University in St. Louis, where he also sat on the advisory council of the economics department.



Jim Bullard

Please also read Professor Robert Becker's recollection of Jim Bullard as a graduate student in the department of economics under his guidance, in Becker's remembrance of George von Furstenberg in this newsletter.

IU Econ--the Alabama of Intramural Football

By *Ike Brannon*

Inside the Beltway Correspondent

M.A., Economics, 1989

Ph.D., Economics, 1993

President, Capital Policy Analytics, Washington, D.C.

In the late 1980s and 1990s the Indiana University Department of Economics achieved a modicum of notoriety on campus not for its academics but for its athletic prowess.

The graduate students fielded teams in softball, basketball, soccer, and bowling, and several of those teams competed for all-school championships at one time, but its intramural 8-man football team was its best-known and most-accomplished squad. From 1988 to 1993 the team went undefeated each year in the eight-game regular season. It qualified for the post-season tournament each year and twice reached the semifinals in a competition with over 400 teams.

How did the team excel? **Mike Gorman**, an endowed chair in the Business Analytics Department at the University of Dayton who played tight end and linebacker on the team, attributed its success to the team's continuity, as well as its regular Friday afternoon practices. When the team began in 1988 the team consisted mainly of first-year graduate students, and

most of them were still around--and playing--in 1993.

Most other flag football teams on campus were undergraduates who played tackle football in high school, but this was their first flag football competition, Gorman explained, and the differences between tackle and flag football are subtle but very real. The econ department's graduate students were already accustomed to flag football from their undergraduate years, giving them another leg up. By the early 1990s some of them had been competing in the sport for nearly a decade.

Jim Palmieri, a senior policy adviser at AARP who played offensive and defensive end, also noted that the IU econ team made some deft strategy choices that gave them an advantage. While nearly every other team kept two men in the offensive backfield to help give the quarterback a little extra time to find a receiver, the econ department team used everyone but



Ike Brannon



Econ football team (photo courtesy of Mike Mysker)



Econ t-shirt (photo courtesy of Russell Guindon)

the quarterback as a potential receiver. The team figured out from its weekly practices the additional time wasn't as valuable as having more receivers.

"Every team rushed two players and had a safety playing deep: we always sent one player on a deep route to take his cornerback out of the picture and occupy the safety, which left us with the remaining six receivers guarded by four defenders," Palmieri recalled. Two decades before it became a standard part of college and pro football, the IU econ football team was running a spread offense.

It also helped that the team had a surfeit of capable players, Gorman noted. "One season we scored on literally every possession. It felt like no one ever dropped a pass and we never went a game without at least getting one interception," he recalled.

Russell Guindon, a fiscal analyst for the Nevada Senate who played center and linebacker, remarked that the team benefited from its knowledge of game theory. "We were good at goading our opponents into doing precisely what we wanted them to do. I played center--a position that most other teams never threw to--and in the first half I often did little, so teams stopped covering me. In the second half I became active and most teams never adjusted."

Mike Mysker, who is an investment adviser in Salt Lake City and Chicago, said his favorite victory was the one that got them into the 1993 all-school semifinals. With the Fighting Economists up by 1 point with 90 seconds left and a 4th and 5 deep in their own territory, the

team skipped a punt and went for the first down--which it got by drawing the other team offside by changing the cadence and the snap count.

Former players all said that their enjoyment of the game went beyond the team's successes; **Chris Richardson**, who is currently a consultant as well as the author of the forthcoming book *Civil Rights Economics*, said that the practices were more memorable than the games. "I really liked getting together and hanging out with smart guys who were traveling the potholed road of grad school, and it made me feel like I wasn't alone." He said that his most vivid memory was being laid out when running a route over the middle during a practice and needing to go to the hospital and get stitches--which did not prevent him from playing in the next game, he hastened to add.

John Powers, who was the assistant director for economic analysis at the Public Company Accounting Oversight Board, said he was happy to find a group of guys to hang out with and remind him that normal stuff still existed while grinding through classes and exams. "It was fun to compete against undergrads and the occasional team from the business or law school, and it was gratifying during those stressful first two years of grad school to be a part of a team that worked so well together and had so much success."

The department's football team eventually disbanded in the early '00s and its trophies got lost when the department moved to Wylie Hall, but most of the teammates have remained in touch and occasionally reconnect to celebrate the team's successes.

Alumni:

***We would like to hear from you!
Tell us news of your career so we can include your
updates in a future newsletter.***

email to: econalum@indiana.edu

Class {Notes}



{1960s}

Allen Kidder, M.A., '65, writes, "I was hired as an Economist by Cornell Aeronautical Laboratory (a non-profit research and development laboratory owned by Cornell University) in Buffalo, New York. I did independent cost estimates of military aerospace systems and cost effectiveness analysis, later becoming Principal Economist and Assistant to the General Manager. After 30 years at CAL/Calspan Corporation, I became Director of Grant Services for Genesee Community College in Batavia, NY, then Associate Dean, Albion Campus Center. After 15 years at GCC I retired and am now President of Christian Airmen Inc. (which owns Akron Jesson Field, a privately owned public use airport). I am an active flight instructor, teaching people to fly for over 35 years."

"My latest book is now available, *Neighborhood Democracy: Building Anchor Partnerships Between Colleges and Their Communities*, (Routledge, 2022) writes **L. Richard Guarasci**, M.A., '69, Ph.D., '77, of New York City. "I am president emeritus of Wagner College in NYC, and I was a student of both Elinor and Vincent Ostrom." Guarasci was the longest-serving president of Wagner College, becoming president emeritus on his retirement in 2019. He joined the college in 1997 as provost and vice president for academic affairs. He was previously dean of Hobart College at the Hobart and William Smith Colleges. Prior to that he served as a faculty member and dean at St. Lawrence University, New York.

{1970s}

J. Alfred (Al) Broaddus, Jr., M.A., '70, Ph.D., '72, writes "I received my Ph.D. in 1972. My wife Margaret and I were in Bloomington and I was doing coursework in the late 1960s. I did my most important work under Elmus Wicker and Mike Klein but I also had great courses from Lloyd Orr, Jeff Green, Jim Witte and many others. I was very well prepared for a long career with the Federal Reserve. I retired as president of the Richmond Fed in 2004. I am very grateful for all the department did for me and will continue to support its growth in the years ahead."

Stephen A. Wandner, Ph.D., '71, is President of Wandner Associates Inc, Senior Fellow at the National Academy of Social Insurance, and Nonresident Fellow at the Urban Institute. His book, *Transforming Unemployment Insurance: A Comprehensive Guide to Reform*, will be published by the W.E. Upjohn Institute for Employment Research later this year. *Editor's note: his book was published 8-15-2023, https://research.upjohn.org/up_press/271/.*

{1980s}

In January, Biological Dynamics Inc., a medical company that develops and commercializes platforms for early disease detection, announced **Peter C. Wulff**, B.A., '81, M.B.A., '83, as its chief financial officer. Wulff has more than 35 years of financial management experience in both public and privately held companies in emerging growth life sciences. He most recently served as chief financial officer at JenaValve Technology, where he played an instrumental role in the corporate relocation from Germany and subsequent growth of its U.S. operations. Prior to JenaValve, Wulff served as the financial corporate officer for medical technology companies such as Alphatec Spine Holdings, Artes Medical, CryoCor, and Pure Biosciences. He lives in La Jolla, Calif.

(continues)

Class {Notes}

Paychex Inc. president and CEO **John B. Gibson Jr.**, B.A., '88, of Pittsford, N.Y., has been appointed to the company's board of directors and will serve on the executive committee of the board. Paychex, a Rochester, N.Y.-based company, offers human capital management software solutions for human resources, payroll, benefits, and insurance services. Gibson joined Paychex as senior vice president of service in May 2013, bringing with him more than 20 years of experience in HR solutions, technology, and business services. In December 2021, Gibson was promoted to president and chief operating officer, leading the daily operations of the company, including sales, service, marketing, and product management. Prior to Paychex, Gibson served in senior executive positions at HR outsourcing and technology companies, including Ameritech (now AT&T) and Convergys, where he served as president of the HR management division providing comprehensive global HR solutions to clients in 68 countries.

In April, the Western Springs (Ill.) Village Board appointed **Heidi L. Rudolph**, B.A., '87, as the village's new acting president. Rudolph fills the position that became vacant after the sudden death of Alice Gallagher in March of this year. She will serve in this role through the remainder of the current term, which expires in May of 2025. Rudolph was elected to the Village Board in 2017, and again in 2021. Since elected, she has served as chair of the finance committee (2017–present) and has been a member of the planning and zoning (2017–2021) and general government (2021–2023) committees. For the past six years, Rudolph has been senior managing director at Morae Global—a digital and business solutions company for the legal industry. Prior to working with Morae, she was senior vice president at Aegis Advantage, and before that, vice president for government/external affairs with Sara Lee Corporation. Rudolph and her husband Stephen live with their family in the Old Town South neighborhood of Western Springs.

{1990s}

In November 2022, Planet Fitness Inc., one of the largest and fastest-growing franchisors and operators of fitness centers, announced that **Jennifer L. (Mollica) Simmons**, Cert./B.A., '91, previously senior vice president of business strategy and analytics, has been promoted to division president of corporate clubs. Simmons joined Planet Fitness in 2013. In her new role, she will be responsible for leading the company's corporate club portfolio—including driving overall performance, leading and developing the team, and identifying strategic growth and expansion opportunities of the brand's corporate store fleet, which consists of more than 200 locations across 14 states and Canada. With more than 20 years of leadership experience and a background in finance, Simmons previously held business planning positions for well-known global consumer brands including Timberland and PepsiCo. In addition to her bachelor's degree in economics from Indiana University, she has an MBA in finance from the University of New Hampshire. Simmons lives in Winter Park, Fla.

In June 2022, Bobby Jones Links, an Atlanta-based club management and advisory services company, welcomed **Kenneth R. Nicholas**, B.A., '91, as its vice president of operations. Nicholas joined the firm with more than 20 years of club management experience in the St. Louis, Chicago, Wichita, Kan., Philadelphia, and New York markets. He most recently served as a regional manager for ClubCorp, where he was responsible for oversight of several private clubs in New York and Pennsylvania. Before his six-year tenure with ClubCorp, Nicholas spent 16 years with American Golf, where he served in various leadership roles. Nicholas will oversee select clubs in Bobby Jones Links' portfolio, leveraging his extensive experience in operations, food and beverage, and creating memorable customer and member experiences. Nicholas has been married to his wife Keely for 27 years and has two children, Haley, and Alex.

Class {Notes}

“I am now a full professor and associate director in the McBee Institute of Higher Education at the University of Georgia,” writes **Robert K. Toutkoushian**, M.A., '86, Ph.D., '91, of Athens, Ga. He adds, “I teach courses on the economics and finance of higher education, and econometrics applied to higher education. My work focuses on applying economic theories and methods to a wide range of topics in higher education, including the demand for higher education, faculty compensation, and higher education finances. A recent study of mine is “Estimated profit: A look at the excess revenues of private four-year nonprofit postsecondary institutions,” in *Education Finance and Policy*, 16, 125-145 by Toutkoushian, R., & Raghav, M. (2021). Of particular note is the book that I wrote with Mike Paulsen titled *Economics of Higher Education: Background, Concepts, and Applications*, published in the Netherlands by Springer in 2016.” (Editor’s note: co-author M. Raghav is an IU Econ Ph.D. 2007 graduate.)

In June, **Damon S. Seiters**, B.A.J., '95, a former sports reporter for the *Las Vegas Review-Journal*, was one of 11 inductees into the Nevada Interscholastic Activities Association Hall of Fame for 2023. “The 11 individuals we are inducting have contributed greatly to high school athletics in the Silver State as an administrator/director, athlete, coach, contributor and/or official,” said Donnie Nelson, executive director of the NIAA. “They have made a positive impact on the young men and women of our state in some very important ways, and they have helped to make many of their dreams come true.” An Illinois native who graduated from IU with a bachelor’s degree in journalism, with an outside major in economics, Seiters joined the *Las Vegas Review-Journal* as a part-timer in 1996, covering football and basketball. He retired in April 2022 after 25 years with the paper. During his time covering high school sports, he said he’s most proud of telling interesting and unique stories about Southern Nevada athletes. Seiters lives in Las Vegas.

{2000s}

“I was recently promoted to partner/operations from chief operating officer at Trivest Partners, a private equity firm,” writes **Todd V. Jerles**, Cert./B.A., '01. Trivest has offices in Miami, Los Angeles, Philadelphia, Chicago, and Toronto. Since its founding in 1981, Trivest has completed more than 400 investments, totaling approximately \$7 billion in value and is one of only 15 firms recognized by *Inc.* magazine as one of the top-50 founder-friendly private equity firms for the past four years, every year since the list’s inception. “I currently live in Miami with my wife Lisa and two children, Dagny and Moses,” adds Jerles.

Indiana University Kelley School of Business professor **Scott J. Shackelford**, Cert./B.A., '05, is one of four IU Bloomington faculty members named as 2023 Provost Professors. A global thought leader on cybersecurity, Shackelford joined the Kelley School of Business’ Department of Business Law and Ethics in 2010 as an assistant professor, was promoted to associate professor in 2016, and to full professor in 2022. He is executive director of both the Ostrom Workshop and the Center for Applied Cybersecurity Research. Shackelford’s research analyzes pressing legal and policy issues at the intersection of law, ethics, property, and peace, with a special emphasis on the interrelated fields of Internet governance and sustainable development. He has written more than 100 articles, book chapters, essays, and op-eds for diverse publications, and his research has been covered by an array of outlets, including *Politico*, NPR, CNN, *Forbes*, *Time*, *The Washington Post*, and the *LA Times*. He is also the author of several books, including *Managing Cyber Attacks in International Law, Business, and Relations: In Search of Cyber Peace* (Cambridge University Press, 2014), which won the Elinor Ostrom Award. Shackelford lives in Bloomington, Ind.



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