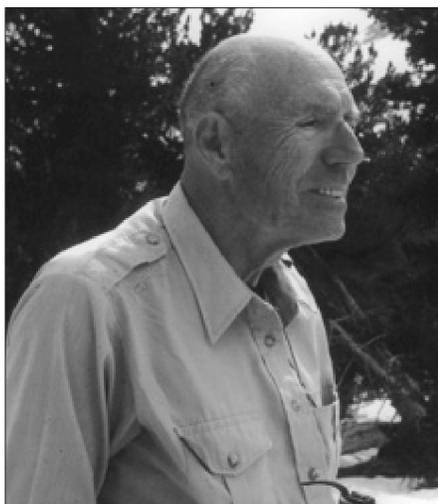


In Memory of Raymond F. Mikesell



Raymond F. Mikesell

Raymond F. Mikesell, professor emeritus of economics at the University of Oregon, passed away on September 12, 2006, at his home in Eugene, from age-related causes. He was ninety-three.

Ray Mikesell had a remarkable life as an academic, adviser to the United States government, outdoorsman, and author. He earned his Ph.D. in 1939 from Ohio State, and after several years at the University of Washington he became an adviser to Assistant Secretary of the Treasury Harry Dexter White.

Ray is believed to have been the last surviving U.S. economist at the 1944 Bretton Woods Conference, where White and John Maynard Keynes negotiated the design of the World Bank, the International Monetary Fund, and the General Agreement on Tariffs and Trade. These institutions ended the prewar British system of colonial preferences, funded the European recovery, and laid

the foundation for the postwar economic expansion. Ray's job was to provide the data for White to use against Keynes's attempts to preserve British interests. Many economists would have been worried to be on the opposite side of an argument from Lord Keynes, but Ray was never a timid man.

After the war, Ray taught at the University of Virginia and was an adviser to the Department of State on Saudi Arabia and Palestine. In 1957 he became wrapped up in the red scare and left Virginia to take the W. E. Miner Chair at Oregon.

He loved the Cascades. His doctoral students love to talk about how Ray would wear them out on the trail and then sit around the campfire while they recovered, smoking cigars and telling them what they needed to do for their dissertations.

Ray's political beliefs were interesting. As a college student he had supported the socialist Norman Thomas, and he said that every war the United States ever fought could and should have been avoided—"and that includes the revolution!" He was an environmentalist and also a firm believer in markets and development. He resigned from the Sierra Club over their opposition to the North American Free Trade Agreement.

In 1998 Ray endowed the chair in environmental and resource economics now held by Trudy Cameron. At the speech announcing his gift, Ray walked slowly to the podium, then stopped and looked up at the students and their parents. "Some of you might be wondering

how a professor could afford to give this much money away," he said. "You do it like this. Save 5 percent from every paycheck and invest it, even if it's only at 3 percent. Eventually, you'll have a million dollars, too." He looked up again, and then with perfect timing added, "Of course, it helps if you live as long as I have." The crowd broke into laughter, then applause. Ray smiled, and walked off the stage.

Ray's obituary was published in *The New York Times* and *The Economist*. Both used the occasion of his passing to promote one of his favorite causes—that it was now time to reform the IMF and perhaps abolish the World Bank.

The department has posted a memorial site at economics/people/faculty/mike/index.htm. Anyone with stories to post about Ray may send them to harbaugh@uoregon.edu.

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Our new department head, Larry Singell, lets his hair down.

Greetings from the Department Head

For seven years you have been greeted by the eloquent musings of Van Kolpin as department head. However, like Cincinnatus, Van has relinquished his reign and returned to the quiet life of an academic. Thus, as the new department head, let me say “hello” for the first time. Van left the department in excellent shape. During his tenure, we hired nine new faculty members (including our newest, Jeremy Piger), undergraduate enrollment increased by more than 50 percent, and this year’s doctoral class is the largest in department history. Currently, the department has twenty-one faculty members, forty Ph.D. students, nineteen master’s students, and nearly 400 majors. This growth reflects the vibrant atmosphere within the economics department that I believe you would recognize as readily as your old stylish haunts in PLC.

The success of our department is intimately connected to our alumni and other friends of the department. Indeed, our greatest accomplishments rest in the contributions of you, our intellectual progeny, who generate returns well beyond what we could produce individually. Thus, we share these stories with you in hopes that we may remain a family united by a common intellectual heritage. PLC calls like a birth river to a salmon—so, please come by if you ever swim back upstream.

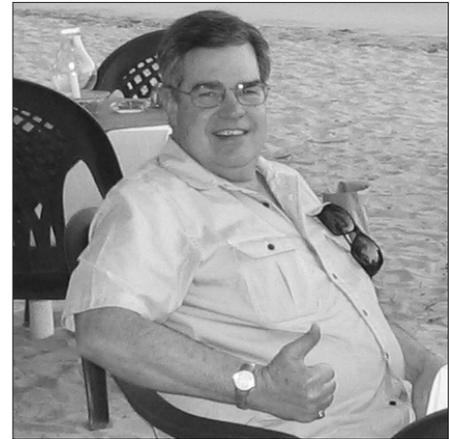
Welcome Back, Joe!

The department enthusiastically welcomes the return of Joe Stone as a full-time faculty member after a number of years in UO administration, including nine years as dean of the College of Arts and Sciences.

Joe received his Ph.D. from Michigan State University in 1977. He worked for two years at the U.S. Bureau of Labor Statistics, and joined the UO in 1979. In 1984 he returned to Washington, D.C., for a one-year stint as a senior economist on the president’s Council of Economic Advisers, advising the CEA and the White House on international trade policy. On his return to Eugene in 1985, Joe was named the W. E. Miner Professor of Economics, an endowed chair he continues to hold today.

Joe’s rapid ascension from a newly minted Ph.D. to an endowed chair holder is explained by his extraordinary research and teaching contributions in two distinct areas in economics. His doctoral dissertation was on international trade, yet he worked at the Bureau of Labor Statistics and was initially hired at Oregon as a labor economist. Primarily an empiricist, his research in international and labor economics appears in the leading general-interest journals as well as in field journals. Much of his research has been supported by prestigious grants from sources such as the National Science Foundation, the U.S. Department of Labor, and the U.S. Department of Education.

Before being diverted into administration, Joe taught a wide range of courses in international and labor economics as well as introductory economic principles, and was consistently among the department’s best instructors. During his first ten years at Oregon, he was adviser for more Ph.D. dissertations than anyone else in the department, a reflection of his concern for students and his field versatility.



Joe Stone

Upon the death of James Tattersall while serving as department head in 1988, Joe stepped up to chair the department from 1988 to 1992, a move that significantly altered his career path for the next eighteen years. He became associate dean for social science from 1992 to 1996, and interim dean of the College of Arts and Sciences from 1997 to 1998. He then became dean from 1998 to 2006, with oversight responsibilities for over 60 percent of the university’s faculty, academic programs, and students. During his deanship, Joe helped guide the college through extraordinary financial difficulties. He maintained high academic standards that never compromised quality through the implementation of carefully designed economic incentives rather than administrative directives. He received strong support from both the faculty and students across the sciences, humanities, and social sciences—not an easy accomplishment, especially during difficult financial times.

Throughout his years as dean, Joe maintained a fairly regular presence in our department. He sustained a high-quality program of research and publication and a superb record of supervision and assistance with graduate student research. Although his leadership as dean will be sorely missed by the university as a whole, we are delighted to have Joe return as a full-time colleague in economics.

Middle School Summer Camp

This summer the department held its first annual Summer Day Camp for Ninth-Grade Economists for students from Springfield Middle School.

Bill Harbaugh and Bruce Blonigen organized the free camp, with a lot of volunteer help from the rest of the department. The goal was to encourage bright kids from low socioeconomic-status families to go to college. Everybody involved thought it went over very well, we think the kids learned a little economics, and the department intends to do it again next year.

Ryan Knutson, UO journalism student and editor in chief of the *Oregon Daily Emerald*, wrote the following article about the camp. We thank Ryan and the *Emerald* for permission to reproduce the article, which we've edited for brevity.



Jo Anna Gray and students demonstrate how banks change the money supply.

Two UO Professors Run a Free Summer Camp to Teach Economic Principles to Low-Income Youth

Economics may not sound like the usual fantasy camp for middle school students, but UO economics professors Bill Harbaugh and Bruce Blonigen are using economics games, gift certificates, and the lure of university life to get these youngsters excited about economics and—above all—going to college.

“I think there are really two goals to what we’re doing. One is to give them a sense of what they can do with their math skills, which is economics as an applied mathematics social science,” Blonigen said. “The second thing is to give them realistic expectations about going to college. . . . We want to get across more than just the ‘I want to go,’ but that it takes discipline.”

“It’s awesome,” Michael and his friends said after their first day of camp ended. Monday the campers played games, watched clips from popular teen movies featuring economics, toured campus, and ate at Carson dining hall. The next day, they played more economics games

and got to see a human brain, which is owned by the psychology department.

The camp, which Harbaugh and Blonigen said is not a revolutionary idea, is also linked to Harbaugh’s alternative diversity plan to create diversity at the university by inspiring low income eighth grade students to want to attend college and perhaps later become professors.

The students for this year’s camp were recruited from Springfield Middle School, where 75 percent of the students are eligible for free or reduced lunch, according to 2003–4 [figures from the] National Center for Education Statistics. The median household income for Springfield residents is \$37,233, roughly \$9,000 less than the state average, according to Sperling’s Best Places data.

“All these kids are bright, they’ve got lots of hopes right now,” Blonigen said. “But at the same time at least we’re pulling from a population that wouldn’t necessarily go to college, and that

is a point of why we’re doing this.”

In the future, Harbaugh and Blonigen said they hope corporate sponsors will invest in the camp to support the youth who could someday be working for their companies.

“If everyone collectively behaves as one, we all do better,” economics professor Van Kolpin said to the students during Prisoner’s Dilemma, a game that teaches the children about the economic tension between doing what’s best for the individual as opposed to the whole group, which leads to the need for some government regulation.

And they got it, Harbaugh said. “When you think about children, that’s what they do, they’re professional game players,” Harbaugh said. “That comes really naturally to children, to figure out what the situation is, to figure out what the rules are . . . figuring out how to do the best they can.”

“They’re catching on better than the average 201 student,” Blonigen said, chuckling.

Graduate Program Notes

Fall 2006 began with more than sixty graduate students in the UO economics department, with forty-two of these in the doctoral program. This includes a class of fourteen first-year Ph.D. students.

Our master's program continues to be strong. We graduated fourteen master's students last year and four new students joined the program this fall. A significant number of our master's graduates use their training to enter doctoral programs, while others find jobs in the private sector or, in the case of many international students, work for their home country's government.

We graduated three Ph.D. students last year. Bornali Bhandari is assistant professor at Fitchburg State College, Massachusetts. Ryan Bosworth is assistant professor at the School of Public and International Affairs, North Carolina State University in Raleigh, and Kevin Henrickson is assistant professor at Gonzaga University in Spokane, Washington.

Several former Ph.D. students were promoted or moved to new positions recently. Man Chiu (Sunny) Wong (2002) is now assistant professor at the University of San Francisco, Rossitza Wooster (2002) and Sarah Tinkler (1989) have joined the faculty at Portland State University, William Branch (2001) is assistant professor at UC Irvine, David Aadland (1997) was promoted to associate professor at the University of Wyoming, Bruce McGough (2000) was promoted to associate professor at Oregon State University, Joel Carton (1999) has a one-year visiting position at Oberlin College, and William Hall (2005) has taken a position at the Bureau of Economic Analysis in Washington, D.C.

This year's Best Field Paper Award by a current Ph.D. student went to Daniel Burghart. Dan's paper, entitled "Questioning Some Maintained Hypotheses in Stated Preference Estimation: Allowing for

Failure, Substitutes, Adjustments, and Inattention," addresses several shortcomings in stated preference choice scenarios and data analysis.

Kleinsorge Research Fellowships were made this past summer to four very promising Ph.D. students: Keli Haraguchi, Ryan Herzog, Paul Shea, and Nino Sitchinava.

We also place emphasis on cultivating our students' teaching abilities. This year, the Outstanding GTF Teaching Award was shared by Keli Haraguchi, Kevin Henrickson, and Chong Uk Kim. In addition, Kevin Henrickson received the prestigious, campuswide Donald and Darel Stein Graduate Student Teaching Award.

Graduate Profile: Helen Naughton



How did Helen Tammela Naughton, who grew up in Tallinn, Estonia, come to be a graduate student at the UO?

Helen Tammela was fourteen when the country regained its independence from the Soviet Union. The fall of communism resulted in many entrepreneurial opportunities, from selling waffles to trading stolen copper; Helen's family rented bedrooms to tourists. In 1994 Gwen and Lawrie Robertson from Issaquah, Washington, stayed with Helen's family, and arranged for Helen, fourth of five siblings, to spend her senior year in Issaquah High School. With the help of her host parents, Bill and Carol Werner, Helen continued her studies in the United States. In 2000 she graduated with an economics degree from Lewis and Clark College. She then worked as an economist for the Integrated Utilities Group in Portland and Denver, and returned to school in 2002, having married Oregon native Joe Naughton. Her school of choice was the University of Oregon. Quite a journey!

Helen's dissertation involves issues related to globalization

and the environment. Her paper, "International Cooperation in Environmental Policy," was a cowinner of the Best Field Paper Award in 2005. To prepare for the job market, Helen has presented her work at conferences in Eugene, Dublin, Seattle, Vienna, and Vail. She is planning on completing her Ph.D. during the 2006-7 school year.

In addition to her dissertation, Helen has worked with Bruce Blonigen, Ron Davies, and Glen Waddell on spatial patterns in foreign direct investment, and with Peter Lambert on equal sacrifice taxation. This August, Helen was one of fifty young economists chosen by the National Science Foundation to attend a meeting of Nobel Prize winners in Lindau, Germany. Among others, she met Reinhard Selten, who won the Nobel Prize in 1994 (and appears in the picture alongside Helen).

Helen and Joe have a beautiful baby boy, Henri, and their favorite activities include hiking and cross-country skiing.

Undergraduate Program Notes

Our faculty's dedication to high-quality teaching continues to be reflected in the strength of the undergraduate economics program at Oregon. During the 2005–6 academic year, we saw 197 students graduate with economics majors, and this year is shaping up to be another year of high enrollment, with 386 majors and 142 minors at the beginning of fall term. The numbers of majors per faculty member continues to be one of the highest in the university—efficiency that has allowed the department to increase the number of faculty positions over the past five years.

An important element of the economics program is the peer advisers, an active group of students who help advise many current and prospective economics majors and minors regarding graduation requirements. In addition, the peer advisers prepare a quarterly newsletter, *Utility Times*, which provides an opportunity for them to write about their experiences as economics students. Special thanks go to David Yaffe for his work as editor of *Utility Times* during this past academic year. Information regarding the peer advising program, including back issues of *Utility Times*, can be found at darkwing.uoregon.edu/~econpeer/peer.html.

Once again, the job market proved to be strong for our graduates. Our undergraduate majors have accepted positions with a wide variety of private firms, including J. P. Morgan, EcoNorthwest, Ameriprise Financial, Target, and a variety of other financial and corporate leaders. We have a number of students going directly into government or service positions, such as the Federal Reserve, AmeriCorps, and Teach for America. And, of course, we have students going directly to graduate school in economics, political science, business, public policy, and law at programs such as UC Los Angeles, UC Davis, Miami University, Georgetown University, London

School of Economics and Political Science, and Harvard. It is always exciting—although bittersweet—to see our students move on to the next stage of their lives.

Students continue to make excellent use of internship experiences to explore potential careers. During the past academic year, over twenty students received academic credit for internships at firms that include Chinook Capital Management, Smith Barney, Merrill Lynch, Marcus & Millichap, Pacific Source, the Saudi British Bank, and

the Federal Reserve Bank of Kansas City. In some cases, internships have turned into full-time positions, and in all cases the internships provided a valuable opportunity to allow students to help shape their education with their future goals in mind.

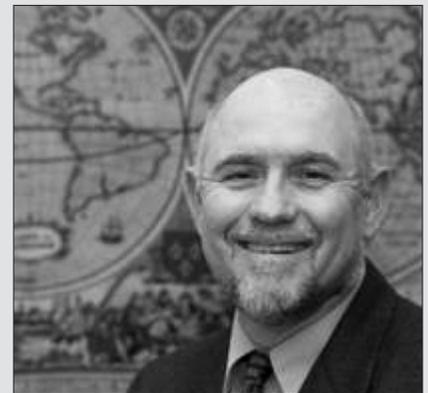
Fifty-four students were awarded honors in economics, a distinction that requires a high GPA in upper-division economics courses and a thesis written in consultation with a faculty adviser. In addition to the individual honors thesis, many

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Alumnus Profile: Michael Hutchison

Michael Hutchison received his Ph.D. in economics from the University of Oregon in 1983. Michael's first position was research economist at the Federal Reserve Bank of San Francisco (1983–86). He joined the economics department at UC Santa Cruz in 1985, where he continues today. Michael was the head of a section at the Bank for International Settlements (1999–2001) in Basel, Switzerland. He served as department chair of economics at Santa Cruz (2001–3), and recently concluded a stint as interim dean of social sciences (2003–6).

Michael is a leading expert in international finance and the Japanese economy, frequently consulting with central banks and international institutions, e.g., the Bank of Japan, Reserve Bank of New Zealand, Hong Kong Monetary Authority, and Bank of Sweden. His recent research focuses on the causes and costs of financial crises in developing economies, the role of the IMF in the international financial system, financial instability in Japan,



and the effectiveness of central bank foreign exchange market intervention. He has published over 100 articles and eight books and monographs, and over the past decade has given more than 100 professional presentations in over twenty countries.

As a graduate student at Oregon and for a number of years thereafter, Michael took many skiing and hiking trips into the Cascades with the chair of his dissertation committee, Ray Mikesell, whose recent death is highlighted in this newsletter. In more recent years Michael has taken up golf (an activity that Ray Mikesell viewed with disdain) and sailing. Michael's wife, Greta, teaches French at UC Santa Cruz, their son recently graduated from UC Davis, and their daughter has just begun college at UC San Diego.

Undergraduate Program Notes

Continued from page 5

students earn honors in economics through group projects that stem from a course developed by William Harbaugh and Bruce Blonigen to involve our students and department more with the local community. After meeting with various community leaders, projects are developed that analyze an economic issue for a local nonprofit or government agency. Two-person teams of students present their results in honors papers and presentations to the local agency. This year the students worked on a variety of projects—from developing an index of business conditions for central Oregon to estimating the future demand for nursing-home beds in the Eugene-Springfield area to designing a summer camp to improve the likelihood that children from low socioeconomic backgrounds will attend college. This is just a subset of the projects; all the papers are available at economics.uoregon.edu/honors. Note that this important course is a direct result of alumni support, as its inception was funded by a UO Williams Council grant and it is sustained by a generous donation by alumnus Richard D. Fulmer.

The award for Best Individual Honors Thesis went to David Yaffe for his paper, titled “To Bluff or Not to Bluff: Principles and Practice from Laboratory Experiments,” while the award for Best Group Honors Thesis was earned by Jessica Brown, Sheena Pietzhold, and Joseph Reiter for their work on “Housing Price Models for the Walnut Station Redevelopment Area.”

Finally, our students continue to be the recipients of many university honors. Thirteen economics majors received Latin honors and five were inducted into Phi Beta Kappa. In addition, Sean Wallace received a special honor when he was designated a member of the Phi Beta Kappa Oregon Six, an honor received by only six outstanding students each year.

Faculty Notes

The department faculty continues to thrive on all fronts. Our research results, some of which we list separately below, boasts of many productive collaborations within the department faculty, across departments within the university, with members of the larger academic community of economists, and with current and past UO students (both graduate and undergraduate). We have again added new faces to our faculty and thereby continue to expand our array of research programs and teaching offerings. With ever-increasing numbers of undergraduate and graduate students, we continue to represent one of the most vibrant, hard-working, and intellectually curious groups on campus. Our exposure in the greater community of professional economists also grows as we now house an associate editor of *The American Economic Review*, a coeditor of the *Journal of International Economics*, and the incoming president of the Association of Environmental and Resource Economists. In what follows, we briefly highlight for you each department member’s main activities and interests.

Bruce Blonigen was named an associate editor of *The American Economic Review* and coeditor of the *Journal of International Economics*. He continues his work analyzing the effects of trade protection on the U.S. steel industry as well as the role of ocean port efficiencies on trade flows. Bruce has recently coauthored with Wesley Wilson, Van Kolpin, Glen Waddell, Ron Davies, and Helen Naughton. He teaches trade and industrial organization and coteaches Economic Analysis of Community Issues I and II with Bill Harbaugh.

Trudy Cameron was elected president of the Association of Environmental and Resource Economists. Her research interests concentrate on demands

for climate-change mitigation policies and environmental health protection in the U.S. and Canada. She works with J. R. DeShazo (UCLA), Ryan Bosworth (North Carolina State), and various current UO doctoral students. Trudy teaches microeconomic principles and the environment, environmental and resource economics, microeconometrics, and econometrics. Trudy’s Mikesell Environmental Economics Lab is also enjoying NSF grant funding.

Shankha Chakraborty received the Reinhold Fellowship. He examines the effect of volatility on economic growth and works on explaining the epidemiological transition. He coauthors with Nick Magud and colleagues at the IMF, Iowa State, the Federal Reserve Bank of Philadelphia, and the University of Alicante. Shankha presented his work at the Canadian Macroeconomics Study Group and the University of Kentucky. He teaches macroeconomics and development economics.

Ron Davies is enjoying a sabbatical as a visiting scholar at Trinity College, Dublin. His current research includes tax competition for heterogeneous foreign direct investment (with Carsten Eckel, University of Goettingen). He also coauthors with people in Sweden, Iceland, and Eugene on issues surrounding foreign direct investment. Ron presented his work in Germany, Iceland, and Ireland last year, and is going to spread the gospel in Scotland, the Netherlands, Germany, Ireland, Sweden, and Norway this year. Ron taught courses on international trade and multinational corporations last year.

Tim Duy has a full plate with a mix of teaching, advising, directing the Oregon Economic Forum, working on a set of regional economic indices, and a little Fed watching on the side. He continues to teach contemporary

economic issues, principles of macroeconomics, and evolution of economic thought. Tim gave presentations on the U.S. and Oregon economy in Eugene, Salem, and Portland.

Chris Ellis is interested in the economic origins of democracy (with coauthors John Fender of the University of Birmingham, U.K., and Oz Dincer of Massey University in New Zealand) and lobbying firms (with Anne van den Nouweland). He teaches public economics, game theory, and microeconomics.

George Evans is working on the role of expectations and bounded rationality in business cycles, asset prices, and macroeconomic policy. His current coauthors are from the University of Cambridge (UK), University of St. Andrews (Scotland), UC Irvine, Oregon State, Princeton, NYU, the University of Tennessee, and the St. Louis and Cleveland Federal Reserve Banks. George teaches time series econometrics and macroeconomics.

Jo Anna Gray continues to work on the economics of nonmarital births and the impact of state-level tax and expenditure policies on growth rates of state personal income. She coauthors with Bob O'Brien (UO, sociology), Neil Bania and Jean Stockard (UO, planning, public policy and management), and Joe Stone. Jo Anna teaches monetary theory and advanced macroeconomic theory. She is also heavily involved in the university's decennial accreditation review, which takes place this year.

Bill Harbaugh was awarded an Oregon Community Credit Union grant for work on the neuroeconomics of retirement decision making. He is using fMRI brain imaging to study philanthropy with Ulrich Mayr (UO, psychology), John Chalmers (UO, finance), and Cami Kuhnen (Northwestern University). Bill works with Michael Visser (Sonoma State) and Naci Mocan (University of Colorado, Denver) on the rationality of criminals,

and with Jim Andreoni (UC San Diego) on a new model of people's risk-taking behavior. Bill gave a talk in Paris and will give a talk in College Station, Texas, soon. He coteaches the Economic Analysis of Community Issues course with Bruce Blonigen and also teaches experimental economics.

Steve Haynes studies (with Avik Chakraborty, University of Kentucky) the forward premium paradox—the bizarre finding that

the forward premium predicts movements in the spot exchange rate, but with the *wrong* sign. A second project (with Bornali Bhandari, Fitchburg State College) concerns a serious misspecification of models of the trade balance—the exclusion of cross-price effects in both demand and supply linking import and export markets. Steve teaches three online courses: principles of microeconomics,

Continued on page 8

Alumna Profile: Kassi Sande

We know that undergraduate econometrics textbooks often find their way to graduate school, consulting firms, and—okay—a few end up on the used bookshelf at the bookstore. But perhaps none is better traveled than Kassi Sande's econometrics textbook, which spent the past year (with her) in Ayacucho, in the Andean highlands of Peru. Better yet, she has actually *used* it for her research about the local population.

After graduating from Oregon in 2006 with a double major in economics and journalism: public relations, Kassi moved to Ayacucho to volunteer with Foundation for International Community Assistance (FINCA Peru), a nonprofit microfinance organization. Recognizing that the artisans in this impoverished and war-ravaged area lacked a reliable market for their traditional artwork, she developed the idea for FINCA Peru Exports. This nonprofit, cooperative business exports wool weavings, alabaster stone carvings, and knitted and painted items to wholesalers in North America and Europe with the goal of providing a permanent stream of income to support the 200 associated artisans and their families. As Kassi wrote last winter, the



opportunity to help these families gain access to better health care, food, utilities, and education through access to the higher prices and steadier demand of a global market “makes the cold showers and constant bacterial infections that have become a part of my life worth it.” When Kassi left Ayacucho this past spring, FINCA Peru Exports was “going fabulously” and it has now started accepting orders.

After wrapping up her time in Ayacucho, Kassi spent several months traveling through South America. Among other adventures, she went piranha fishing, swam with pink dolphins, and—as the photograph suggests—held a baby crocodile (very briefly!) in her mouth. (And some people think that economists are a boring lot. . . .)

Kassi is now back in the United States, exploring the possibility of graduate studies in international development.

Faculty Notes

Continued from page 7

principles of macroeconomics, and International Economic Issues.

Van Kolpin's current research focuses on investigating the impact that regional competition for firm location may have on realized technological development (with Bruce Blonigen), game theoretic analysis of the higher education market, especially in regard to the effects of declining state and federal aid (with Mark Stater, University of Georgia), and using shared irrigation systems as a context for identifying the factors which determine the allocation mechanism employed in practice (with David Aadland, University of Wyoming). Van recently finished his service as our department head and is enjoying a sabbatical until this spring. He teaches doctoral-level microeconomics and game theory.

Peter Lambert is working on issues surrounding the measurement of pro-poorness of income growth patterns, and on direct and indirect effects of ethnic and religious fractionalization and polarization on income inequality and welfare programs across the United States. His current coauthors are Oz Dincer (Massey University, New Zealand), Helen Naughton (UO), Essama Nssah (the World Bank's Poverty Reduction Group), and Thor Thoresen (Statistics Norway). Peter presented at the first International Conference of the Society for the Study of Economic Inequality. He teaches econometrics, microeconomics, mathematics for economists, and public economics.

Nick Magud studies capital control, exchange rate regime choice, export volatility, dynamics of international trade, as well as asymmetric business cycles and fiscal policy volatility. His coauthors are Ken Rogoff (Harvard and the National Bureau of Economic Research [NBER]), Carmen Reinhart (University of

Maryland and NBER), Daniel Heymann (the UN's Economic Commission for Latin America and the Caribbean), Sebastian Galiani (Washington University, St. Louis), and Shankha Chakraborty. Nick presented at the Latin American and Caribbean Economic Association (LACEA) in 2005 and 2006, the LACEA Regional Integration Network, American

Economic Association (AEA) in 2006, the Inter-American Development Bank, Universidad Torcuato Di Tella, University of San Andres, and Universidad del CEMA. He teaches international finance and macroeconomics.

Robin McKnight is currently working with Jon Gruber (MIT), Amitabh Chandra (Harvard) and Amy Finkelstein (MIT), and is

Undergraduate Profile: Lindsay Steiert

Originally looking at the University of Oregon to pursue a degree in broadcast journalism, Lindsay Steiert never considered a career path in economics. After completing two required economics courses for her journalism major, she soon discovered a passion for economic reasoning. Three years later, this senior from Milwaukie, Oregon, will be graduating in the spring with a double major in economics and journalism: public relations and two minors in business administration and communication studies. Lindsay also plans to pursue honors in economics and is exploring topics for her thesis, with an eye toward weaving together her interest in economics and communications.

While maintaining a 3.87 grade point average, Lindsay has managed to support herself through school working as a waitress at a local restaurant. She also manages to invest her time with multiple leadership roles on campus. In 2005 she was hired as a member of the UO Student Orientation staff. The following year she took on a supervising position as student director of the same program. This position has allowed Lindsay to serve as an official host and resource



to new students, parents, and campus officials during orientation programming as well as throughout the school year. She spends additional time as a peer adviser for the economics department and has recently become the editor of the quarterly publication *Utility Times*.

Lindsay is especially excited about graduation as she will be accepting her bachelor's degree as a first-generation college student. She credits Professor Bruce Blonigen for his International Trade course, which sparked her interest in developing economies. As a result, she hopes to temporarily move to Ghana after graduating to work on an AIDS awareness campaign. After her experience abroad, she will prepare to boldly enter the workforce. She is confident that her double major will lead her toward a position in corporate relations, and predicts that this line of work will be a perfect complement to her dual interest in communication and business economics.

interested in updated estimates of the price elasticity of demand for medical care. She presented at the AEA annual meeting, the annual Health Economics Conference, the NBER Health Care Program Meeting, and UC Davis. Robin teaches principles of microeconomics and upper-division courses on health economics and public economics.

Jeremy Piger joined us in September from the Federal Reserve Bank of St Louis. He is currently working on using nonlinear time-series models to improve forecasts of important economic variables, such as employment and industrial production. He works with Andy Levin (Federal Reserve Board), James Morley (Washington University, St. Louis), Marcelle Chauvet (UC Riverside), Robert Rasche (Federal Reserve Bank of St. Louis), Angela Davis (UO, Lundquist College of Business), and Lisa Sedor (Notre Dame). Jeremy presented at the Society for Nonlinear Dynamics and Econometrics meetings, the University of Utah, OSU, and Southern Economic Association meetings. He will teach time-series econometrics and macroeconomics.

Larry Singell's current research is on the role of human capital in determining managerial skill and how changes in U.S. financial aid policy affect college access. He maintains coauthor relationships with Glen Waddell, Joe Stone, John McDowell (Arizona State), Mark Stater (University of Georgia), Brad Curs (University of Missouri, Columbia), Paul Seaman (University of Dundee), and Dan McMillien (University of Illinois, Chicago). Larry taught principles of microeconomics, labor economics, and econometrics.

Joe Stone completed his term as dean of the College of Arts and Sciences this past year and is currently on sabbatical leave. His research focuses on the relative

magnitudes of changes in fertility versus marriage behavior in nonmarital fertility rates and on the role of state tax and expenditure patterns on economic growth. His current coauthors are Neil Bania and Jean Stockard (UO, planning, public policy and management), Jo Anna Gray, and Robert O'Brien (UO, sociology).

Mark Thoma is currently working on the costs of central bank overshooting. He continues working with Wes Wilson. Mark teaches macroeconomics, money and banking, monetary theory and policy, and econometrics.

Anne van den Nouweland was named an associate editor of the *Journal of Public Economic Theory*. She currently studies pair-based stability concepts for networks (with Marco Slikker, Technische Universiteit Eindhoven, the Netherlands), equilibrium concepts for local public good economies with Myrna Wooders (Vanderbilt University), and connections between coalitional games and strategic games (with three coauthors based in Galicia, Spain). Anne visited the University of Santiago de Compostela and the University of Melbourne, and presented at the Coalitions and Networks workshop and the Public Economic Theory conference. Anne teaches microeconomics and game theory.

Glen Waddell is currently involved in projects relating to peer effects and the influence

of personality on competitive outcomes. His projects include coauthorships with Jack Barron and John Umbeck (Purdue University); Daniel McMillen (University of Illinois, Chicago); David Zimmerman (Williams College); Dmitriy Chulkov (Indiana University, Kokomo); Bradley Curs (University of Missouri, Columbia); Oguzhan Dincer (Massey University, New Zealand); Larry Singell, Bruce Blonigen, Ron Davies, and Chris Ellis; and Helen Naughton, Kelii Haraguchi, and Dan Burghart (current Oregon doctoral students). Last year he taught principles of microeconomics, labor, and industrial organization theory. This year he will also be offering his seminar in contract theory.

Wes Wilson works on demand and supply of transportation services and maintains coauthor relationships with Simon Anderson (University of Virginia), Kenneth Train (UC Berkeley), Bruce Blonigen, John Bitzan (North Dakota State), and Mark Burton (University of Tennessee). He gave lots of presentations at venues that include the American Economics Association meetings and the Navigation and Economics Technology Symposium. Wes teaches applied microeconometrics, in which students learn to frame economic problems in theory and then estimate what is necessary to answer the economic problem.

Oregon Economic Forum

The third annual Oregon Economic Forum, held on October 11, exceeded our expectations with almost 300 people turning out to spend the morning learning about the impact of the health-care crisis on Oregonians. The keynote speaker was former governor John Kitzhaber, who delivered a powerful call to reform the health-care system. In addition, faculty members Tim Duy, Mark Thoma,

and Robin McKnight presented recent research.

Special thanks go to the forum's sponsors, Providence Health Plans, the Regence Group, Colliers International, *Oregon Business* magazine, Oregon DIRT (Doing It Right This Time), AARP, Oregon Community Credit Union, and Specialty Polymers, and to the alumni who have provided financial assistance to this program.

Selected Faculty Publications

Here are some highlights from our extensive list of recent publications. For other papers, and some very recent work which may still be in progress, you are referred to individual faculty members' websites and to the website containing all UO working papers, which is econpapers.repec.org/paper/oreuocwv.

Barron, John M. and **Glen R. Waddell**. "Work Hard, Not Smart: Stock Options in Executive Compensation," *Journal of Economic Behavior and Organization*, forthcoming.

Blonigen, Bruce, Ronald Davies, Glen Waddell, and Helen Naughton. "FDI in Space: Spatial Autoregressive Relationships in Foreign Direct Investment," *European Economic Review*, forthcoming.

Blonigen, Bruce. "Working the System: Firm Learning and the Antidumping Process," *European Journal of Political Economy*, vol. 22, 2006: 715-731.

Burton, Mark and **Wesley Wilson**. "Network Pricing and Vertical Foreclosure in Railroad Markets," *Journal of Transport Economics and Policy*, forthcoming.

Cameron, Trudy Ann. "Directional Heterogeneity in

Distance Profiles in Hedonic Property Value Models," *Journal of Environmental Economics and Management*, vol. 51, 2006: 26-45.

Carpente, Luisa, Balbina Casas-Méndez, Ignacio García-Jurado, and **Anne van den Nouweland**. "Values for Strategic Games in Which Players Cooperate," *International Journal of Game Theory*, vol. 33, 2005: 397-419.

Chakraborty, Shankha and Tridip Ray. "Bank-Based and Market-Based Financial Systems: A Growth-Theoretic Analysis," *Journal of Monetary Economics*, vol. 53, 2006: 329-350.

Davies, Ronald and Benjamin Liebman. "Self-Protection: Anti-Dumping Duties, Collusion, and FDI," *Review of International Economics*, forthcoming.

Duy, Tim. *University of Oregon Index of Economic Indicators*, monthly.

Ellis, Christopher and John Fender. "Corruption and Transparency in a Growth Model," *International Tax and Public Finance*, vol. 13, 2006: 115-149.

Ellis, Christopher and **Anne van den Nouweland**. "A Mechanism for Inducing Cooperation in Noncooperative Environments: Theory and Applications," *Journal of Public Economic Theory*, vol. 8, 2006: 23-47.

Evans, George and Bruce McGough. "Optimal Constrained Interest Rate Rules," *Journal of Money, Credit, and Banking*, forthcoming.

Gray, Jo Anna and **Joe Stone**. "Ricardian Equivalence for Subnational States," *Economics Bulletin*, vol. 5, 2006: 1-9.

Harbaugh, William T., Kate Krause, and Lise Vesterlund. "Learning to Bargain," *Journal of Economic Psychology*, forthcoming.

Lambert, Peter J. and Giuseppe Lanza. "The Effect on Inequality of Changing One or Two Incomes," *Journal of Economic Inequality*, forthcoming.

McKnight, Robin. "Medicare Balance Billing Restrictions: Impacts on Physicians and Beneficiaries," *Journal of Health Economics*, forthcoming.

Owyang, Michael, **Jeremy Piger**, and Howard Wall. "Business Cycle Phases in U.S. States," *Review of Economics and Statistics*, vol. 87, 2005: 604-616.

Singell, Larry and **Joe Stone**. "For Whom the Pell Tolls: A Test of the Bennett Hypothesis at Four-Year Universities," *Economics of Education Review*, forthcoming.

Singell, Larry, Glen Waddell, and Bradley Curs. "Hope for the Pell? Institutional Effects in the Intersection of Merit-Based and Need-Based Aid," *Southern Economic Journal*, vol. 73, 2006: 79-99.

Thoma, Mark and **Wesley Wilson**. "Market Adjustments over Transportation Networks: A Time-Series Analysis of Grain Movements on the Mississippi Inland Waterway System," *Journal of Transport Economics and Policy*, forthcoming.

Pledges and Donations

Donations by alumni and others to our department are crucial for supporting students and faculty members in their teaching and research activities. This past year was one of very generous support, and the following is the list of new pledges made and contributions received during the period from **October 1, 2005**, through **September 30, 2006**. Any contributions after September 30,

2006, will be noted in next year's newsletter and our apologies for any inadvertent omissions.

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Our Academic Genealogies

Ever wonder what economists do for fun? Besides extreme sports, they also search the Internet, researching their academic genealogy! In an academic family tree, a "parent" is a dissertation adviser, "grandparent" is a dissertation adviser's adviser, "great-grandparent" is . . . well, you get the point. Portrayed below are some giants in the fields of economics and mathematics, including eight Nobel Prize winners, a cofounder of calculus, and two mathematicians with a probability distribution named after them (can there be a bigger honor?). The small print at the bottom of the page notes members of the department who "descend" from these individuals. For pictures of your academic parents, see our website: economics.uoregon.edu/people/index.htm.



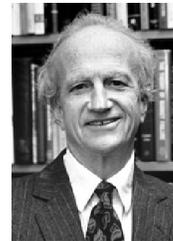
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1983 Nobel Prize



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1992 Nobel Prize



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1999 Nobel Prize



James Heckman
2000 Nobel Prize



Daniel McFadden
2000 Nobel Prize



Ludwig von Mises



Gottfried Leibniz



Simeon Poisson



Jacob Bernoulli

Key

Leontief: Trudy Cameron (granddaughter), Ron Davies (distant relative); **Friedman:** Jo Anna Gray (daughter), Mark Thoma (grandson); **Debreu:** Van Kolpin (grandson); **Becker:** Larry Singell (grandson); **Lucas:** Jo Anna Gray (daughter), Mark Thoma (grandson); **Mundell:** Nick Magud (grandson); **Heckman:** Larry Singell (grandson); **McFadden:** Trudy Cameron (granddaughter); **von Mises:** Bruce Blonigen (distant relative); **Leibniz, Poisson, Bernoulli:** Peter Lambert and Anne van den Nouweland (distant relatives).