

UNIVERSITY OF VIRGINIA
DEPARTMENT OF ECONOMICS
CHARLOTTESVILLE, VIRGINIA
22901

ROUSS HALL

December 14, 1990

Dear Graduate:

Roger Sherman has just completed seven productive years as Chair of the Economics Department and I replaced him at the beginning of September. Roger's term brought many important changes to the Department, including new colleagues, computer equipment and other resources, not to mention significant curricular improvements. We all owe him thanks for his service to the Department. The University has undergone a number of other changes in its leadership; most significantly we have a new President, John Casteen, who received a Ph.D. in English here in the late 1960s.

The Virginia football team spent three weeks as #1 in the nation in October and will be playing in the Sugar Bowl on New Year's Day. Unfortunately, the team seemed to fall apart right after it received the bowl bid, which may be evidence of the power of incentives. The Virginia women's basketball team played in the national championship game last spring and is ranked #1 today. Our soccer team tied for the national championship last spring. If you think all this athletic prowess will threaten our academic quality, we can take heart from the research of Bob Tollison (Ph.D., 1969) who finds a positive relation between academic and athletic quality.

The faltering Virginia economy (whose weakness may in part be due to the "outbreak of peace" and consequent defense cuts) has hit the University hard. State budget allocations to the University have been cut twice already in this fiscal year, and more cuts are promised next year. Consequently, we will not be able to hire faculty as aggressively as we would like to maintain the Department's progress. These budget developments have convinced me of Roger's superb sense of timing in leaving the chairmanship.

Faculty ranks were diminished significantly this past summer as Jon Eaton left us to take a position at Boston University, and will be diminished further as Max Hartwell retires and stops coming to Virginia every fall. Max and Jon will both be missed. John James organized a wonderful conference in October to honor Max, assembling the top economic historians from around the world to reflect on Max's contributions to economic history. No other faculty left us, but we didn't hire anyone either. Ken Elzinga spent last spring in Cambridge (UK) as Thomas Jefferson Fellow. Steve Stern was promoted to associate professor and has just returned from a productive four months at the University of Minnesota. Also away this year are Charles Engel (at the Federal Reserve of Kansas City), Maxim Engers (at World Bank in the fall), Len Mirman (Bellcore), and Ed Burmeister (at Duke in the spring). Bill Smith (Ph.D., 1987) is visiting us this year from VPI, helping to handle the international finance courses that Charles Engel usually teaches.

Among the many achievements of our talented faculty are two presidencies - Ken Elzinga is President of the Southern Economic Association and Charlie Holt is president-elect of the Economic Science Association. Cambridge University Press recently published Roger Sherman's The Regulation of Monopoly and John Whitaker's edited volume marking the 100th anniversary of Marshall's Principles. We continue to have two representatives on the board of editors of the AER (Ed Olsen and Marjorie Flavin) and one on the Journal of Economic Literature (John Whitaker). Many other faculty are active as editors and referees for professional publications, and faculty research accomplishments are too numerous to list here.

Graduate student accomplishments were also impressive. Ph.D.s were earned this year by David Argue, Kun-Soo Choi, Tony Creane, Seunghye Han, David Huffman, Philip Jefferson, Diane Lim Rogers, Eric Schone, and Barbara Steinberg. Requirements for the M.A. were fulfilled by Liwayway Adkins, Dirk Early, John Elder, Tyler Fox, Xiao-Ling Huang, David Mead, Debra Patterson, Regis Renault, and Francisco Ruge-Murcia. Six Ph.D. students were on the job market last year and did very well. Eric Engen went to UCLA, Phil Jefferson to Columbia and Tony Creane to Michigan State. Marios Karayannis is teaching at Wake Forest and Mitch Stern teaches at the Commerce School here at the University. David Argue took a job at Economists, Inc. This year's job market crop is another high quality group. If you're interested in details, Placement Director Jon Skinner [(804) 924-6749] can help.

Professor Emeritus Tipton R. Snavely (Ph.D., 1919) celebrated his 100th birthday on November 23. The Department presented Mr. Snavely with an engraved Jefferson cup. As most of you know, Professor Snavely earned the first Ph.D. in economics at the University, and served as chairman of the Department for the incredible (to me, at least) tenure of 32 years. An extensive article on Mr. Snavely will appear in the next U.Va. Alumni News.

A sad item to relate is the death in September of Dwight Phaup (Ph.D., 1974), who spent his career at Union College (N.Y.). He had most recently held an endowed chair and was chairman of the department at Union from 1981 to 1985.

Other news about alumni is happier to report. John Moore (Ph.D., 1966) left his position as Deputy Director of the National Science Foundation to join the faculty of George Mason University. Barry Hirsch (Ph.D., 1977) is a professor at Florida State, while T. Windsor Fields (Ph.D., 1978) is now department chair at James Madison University. Charles Plott (Ph.D., 1966) completed his term as president of the Southern Economic Association. From the International Trade Commission comes news of two alumni; Arona Mahan Butcher (Ph.D., 1983) is a senior economist there, while Robert Rogowsky (Ph.D., 1982) is Director of the Office of Industries.

Rick Harris (Ph.D., 1981) is now an associate professor at the Babcock School of Management at Wake Forest where Dan Hammond (Ph.D., 1979) is chairman of the economics department. Shannon Mitchell (Ph.D., 1989) moved back east to V.C.U. Louis Scott (Ph.D., 1982) is at the University of Georgia, while George Trivoli (Ph.D., 1969) has been awarded the Eminent Scholar Chair at Jacksonville State University in Alabama. Jere Clark (Ph.D., 1953) is chair of economics and finance at Southern Connecticut State College in New Haven.

At least four of you returned to Charlottesville this past year to impart your wisdom. Paul Craig Roberts (Ph.D., 1967) talked to the Jefferson Literary and Debating Society, while James C. Miller, III (Ph.D., 1969) and Fred McChesney (Ph.D., 1982) participated in Law School conferences. Will McEachern (Ph.D., 1974) was also in town to talk with the TAs for the Principles course after his text was chosen for that course.

Trying their hand at administration are David Baumer (Ph.D., 1980), who heads N.C. State's Master of Science in Management program, and Bob Feinberg (Ph.D., 1976), who directs the doctoral program at American University. Randy Norsworthy (Ph.D., 1966) directs the Center for Science and Technology Policy at Rensselaer Polytechnic Institute. John Knapp (Ph.D., 1970) directs the Business and Economics Section at the University's Center for Public Service (formerly the Tayloe Murphy Institute) and recently completed a report on the University's economic impact on the Charlottesville area.

Venturing into the private sector are Jim Beaver (Ph.D., 1977) and David Lereah (Ph.D., 1983), who have formed a consulting firm called Vantage Financial Group, Inc. in Fredericksburg, VA. Also consulting are Paul Meek (Ph.D., 1956) and Richard Higgins (Ph.D., 1969) who is with Capital Economics, a legal services consulting firm in Washington. Kim Rupert is Vice President of Money Market Services in Belmont, CA.

Please keep me informed of other alumni news for next year's letter. Also, take care to keep the Alumni Association abreast of your current address because we rely on their address lists.

The Virginia cocktail party at the ASSA meetings in Washington will be on Friday, December 28 from 5:30 to 7:30 p.m. in the Calvert Room of the Omni Shoreham. I hope to see you there.

Best regards,

William R. Johnson
Chairman

WRJ/psp