

December 22, 1993

Dear Graduate:

1993 has been a year of dramatic changes in the Department. However, before getting to these, I want to invite you to our cocktail party at the ASSA Meetings in Boston. It will be on Monday, January 3 from 5:30 to 7:00 P.M. in the Courier Room at the Westin Hotel-Copley Place. Since we did not receive the appropriate form from the AEA in March or we misplaced it, our party will not be mentioned in the program. In the event that you forget to bring this information with you and to reach those who don't get this letter, I'll post it on the message board near the registration desk under the letter V. Please join us. We love to hear how our graduates are doing.

Due to retirements, new appointments, and existing faculty who had outgrown their previous offices, ten offices changed hands this year. I was literally the new broom sweeping clean. Before classes began for the current academic year, I worked with graduate students to clean and reorganize their facilities--offices, Snavely Library, and the Graduate Student Lounge. I have no doubt that some of the dust that we removed has been there for decades. We also disposed of the debris left by generations of graduate students. Some of it is highly incriminating, but with a sufficiently large contribution to the Edgar O. Olsen Early Retirement Fund, I won't reveal what I learned about you in next year's newsletter. We also came across debris left by long departed faculty. Above the cloud line in Rouss B5, we found computer cards, college exams for the 1940s, and high school class notes. We also found a machine for reading microfiche that we are thinking about donating to the Museum of Antiquated Office Equipment. We took advantage of the temporary vacancy of many faculty offices to refurbish them. It required four coats to change Gertrude Greenslade's office from elementary school green to Arizona White. Apparently, it hadn't been painted during her twenty four years at the University. On investigation, I discovered that ceiling tile doesn't come in grey beige, and it never did. White ceiling tile does a lot to brighten an office. Although we still have a long way to go in improving our physical surroundings, we did make substantial headway this summer. My dream is to have a building as nice as that now occupied by Dan and Claire Hammond (Ph.D. 1979, 1982) at Wake Forest.

Enough about bricks and mortar. The intellectual life of the Department has been enlivened by the addition of five new faculty members and five visitors. Bob King, co-editor of the Journal of Monetary Economics, has joined us from the University of Rochester. The journal will soon be located in Charlottesville. His wife Marianne Baxter, also from UR, gives us much

needed help in international economics after the losses of Jon Eaton and Charles Engel. Andy John, a macro theorist who has been on the faculty at Michigan State and who was a visitor during the 1992-93 academic year, is now a tenure-track assistant professor. We also hired two new assistant professors--Mike Brien, a labor and development economist from Chicago who has been a post-doctoral fellow at the Rand Corporation, and Aubhik Khan, a growth theorist from Pennsylvania. We hope that Mike and Aubhik can resuscitate our long moribund development field. To help you keep up with our rapidly changing cast of characters, I've enclosed a list of our current faculty. Although there has been considerable turnover, almost all of you will see many familiar names.

To fill the gaps left by recent departures, we had a number of visiting faculty members teaching graduate courses in 1993. In the spring, Marvin Goodfriend (FRB-Richmond) taught a course on empirical monetary economics, Richard Clarida (Columbia) taught international finance, and Paul Rilstone (Laval) cross-sectional econometrics. Marvin and Paul will repeat these courses this coming spring. Mico Loretan (Wisconsin) taught time-series econometrics in the fall. Dominique Thon (Bodo School of Business, Norway) is a non-teaching visitor for the academic year.

The Department did suffer some losses this year. Gertrude Greenslade's tenure in our department ended with a retirement party in the garden of the Colonnade Club on a lovely day in April. With the heightened interest in the Russian economy, her last years were surely her busiest. Dick Selden will retire at the end of the current academic year. After a protracted illness, Roland McKean died on April 15, 1993, a fitting date for a specialist in public finance. Rol was a member of our faculty between 1968 and 1986. He had many fine insights. My favorite is "If you can't do anything about it, it isn't a problem." T.R. Snavely is still ticking at 103. Finally, Ronnie Fischer has returned to Chile. He can be reached at Republica 701, DII, Universidad de Chile, Casilla 2777, Santiago, Chile. His e-mail address is Rfischer@dii.uchile.cl. We'll miss them.

We've welcomed back some itinerant faculty this year. Simon Anderson and Gerhard Glomm are back from semesters teaching in Prague, and Jon Skinner has returned from Harvard and the NBER. I'm happy to report that Jon was promoted to full professor this year. We were also happy to have several former colleagues--Butch Browning (Texas A&M), Mike Murray (Bates), and Ken Singleton (Stanford) return to give talks.

Ken Elzinga and former UVA economist Bill Breit had their first economics mystery novel, Murder at the Margin, issued in a new edition by Princeton University Press, with an afterword by the authors, and a foreword by Herbert Stein. Breit and Elzinga, who write under the name of Marshall Jevons, are in the process of completing their third novel, this one also featuring Harvard economist-sleuth Henry Spearman. Ken also testified in a predatory pricing antitrust case that was decided last spring by the Supreme Court. His economic analysis prevailed (at least with 6 of the Justices) and an article he coauthored with David Mills on predatory investments was cited in the majority opinion. Robert Bork was before the Court in this case, arguing for the side with which Elzinga was associated.

Charlie Holt was elected as a vice president of the Southern Economic Association this year, and Cathy Eckel (Ph.D. 1983) was elected to its executive committee. Jim Miller (Ph.D. 1969) is running for a higher office, U.S. Senator from Virginia.

It was a pleasure to have several former students, Mark Pauly (Ph.D. 1967), Regis Renault (Ph.D. 1993), and Derek Neal (Ph.D. 1992), return to Charlottesville to give talks and one, Scott Bierman (Ph.D. 1985), to teach in the summer session. In addition to a more technical talk, Mark gave a public lecture on health care reform in the Dome Room of the Rotunda.


Although the job market remains tight, our students continue to find good positions. Dave Chesser went to Missouri (Columbia), A.J. Holliday to Washington & Lee, Charlie Kramer to the IMF, Debbie and David Mullin to Marietta College, and Dan Zabinski to the Agency for Health Care Policy and Research. We have a good group of students in the job market this year, and we're optimistic about their prospects. Cathy O'Connor was one of twenty five students to win a prestigious Sloan Fellowship for the 1993-94 academic year. Others have or will soon present papers at professional meetings: Lisa Anderson (Economic Science Association, Public Choice Society), Amy Crews (Econometric Society), Dirk Early (Western Economic Association, Econometric Society), Tom Kinnaman (NBER, AERE), Debra Patterson (Midwest Economic Association, Eastern Economic Association). We awarded the Ph.D. degree to eleven students during the past year.

Regis Renault
Mitch Stern
Greg Hopper
Chip Cangialose
Charlie Kramer
Debbie Mullin

Francisco Ruge-Murcia
Charlie Steen
Zhenhui Xu
David Mullin
Nelson Woodard

Obviously, this is only a small sampling of the news from the Department and from our graduates. We look forward to hearing your news at the cocktail party. If the address on this envelope is not current, please send us an update.

Cordially,



E. O. Olsen
Chairman

E00/psp

Enclosure

FACULTY ROSTER 1993-94

Professors

Ed Burmeister (MIT)
Kenneth Elzinga (Michigan State)
Wake Epps (Duke)
Charles Holt (Carnegie-Mellon)
John James (MIT)
William Johnson (MIT)
Robert King (Brown)
David Mills (Stanford)
Len Mirman (Rochester)
Edgar Olsen (Rice)
Richard Selden (Chicago)
Roger Sherman (Carnegie-Mellon)
Jonathan Skinner (UCLA)
John Whitaker (Cambridge)

Associate Professors

Simon Anderson (Queen's)
Marianne Baxter (Chicago)
Maxim Engers (UCLA)
Ron Michener (Chicago)
Steve Stern (Yale)

Assistant Professors

B. Ravikumar (Iowa)
Michael Brien (Chicago)
Gerhard Glomm (Minnesota)
Shiferaw Gurmu (Indiana)
Andrew John (Yale)
Aubhik Khan (Pennsylvania)

Staff

Diane Calleson
Beverly Lecuyer
Peggy Pasternak
Rhonda Richardson
Scott Ruffner
Bunny Stinnett