



# Department of Economics Annual Newsletter

University of Oregon  
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FALL 2003

## ANOTHER OUTSTANDING YEAR

As usual, the past year has brought numerous changes to our Department that are of interest to our alumni. Our Department continues to grow in numbers and reputation, and we hope that you are as pleased with these changes as we are. This year we were able to add one new member to our faculty, host visiting economists from other universities, and continue to expand both our graduate and undergraduate programs.

One of the key reasons for this continued expansion is that we have continued to grow in enrollments. Last year the Department provided classes to 5,508 student bodies. When compared to 2000-01's total of 4,709 this is a 17 percent increase, illustrating the continued strength and growth of our Department. Similarly, the number of economics majors has grown from 367 in 2001-02 to 415 this year. Our economics minors have followed a comparable trend, reaching a total of 130 this year. Within the University, such trends are important because they are a signal of the high level of teaching the Economics Department provides. This in turn gives us access to some additional funds which we can use to provide computer access to our majors, sponsor career days, bring in outside speakers, and so forth. These perks in turn help us attract additional students. Outside of the academic life, such trends are important because they represent increasing awareness of the usefulness of economics as both a discipline and a major. This in turn increases the job opportunities for our alumni again improving the reputation of the Economics Department. Because of these benefits, the Economics Department is working hard to ensure that these trends continue, and we thank our alums for their continued support in this endeavor.

Although funds certainly play a part in this success, it would be wrong to ignore the contributions of our faculty, staff, graduate teaching fellows, and the

undergraduates themselves. Our faculty continues to create top-quality research and provide equally impressive instruction to students. In addition to high quality teaching, our Department has continued to offer innovative classes including a new addition in which undergraduates provide economic research assistance to local non-profit organizations. The GTFs also work hard to make themselves available and to provide high-quality instruction to their students. Finally, the undergraduates work hard to help each other through our peer advising program. All of these elements combine to equal a strong program of which all of us can be very proud.

## FACULTY NEWS AND NOTES

This year we are pleased to welcome Robin McKnight as a new assistant professor in our Department. Robin received a BA in economics and Russian from Amherst College in 1995 and a PhD in economics from MIT in 2002. Prior to joining the UO faculty in 2003, she was a postdoctoral fellow at the National Bureau of Economic Research (NBER), studying the economics of aging and health. Her current research relates to issues that arise from government intervention in health insurance markets, such as through Medicare reimbursement policy. More generally, her



Professor Robin McKnight

interests span the fields of public economics and health economics. This fall she has been developing a new undergraduate course on health economics. She told us she was attracted to the UO Economics Department by the opportunity to become part of a productive, collegial, and supportive department. In particular, she was impressed by the Department's commitment to the development of its junior members and its overall track record of productivity. The friendly work environment, complemented by the quality of life in Eugene, made for an appealing opportunity.

This year Shankha Chakraborty is away from campus and

instead visiting the International Monetary Fund's Washington D.C. campus. We eagerly await Shankha's return this summer. Another change this year is Bill Harbaugh's half-time appointment as a faculty research fellow at the Oregon Survey Research Lab in which he provides assistance in survey development.

### THE APPLE OF OUR EYE

Our Department's reputation for excellence in teaching was reaffirmed by Bruce Blonigen. Bruce won the Ersted Award for Distinguished Teaching, which acknowledges teaching excellence by faculty early in their careers.



Professor Bruce Blonigen

Bruce was one of only four winners across the University and was presented with a crystal apple in class by President Dave Frohnmayer. By winning the Ersted Award, Bruce joins the ranks of current Department members Wes Wilson and Ed Whitelaw, who won Ersted Awards in 1996 and 1970, respectively, and Emeritus Department member Bob Smith, who won the Burlington Northern Distinguished Faculty Achievement Award in 1986.

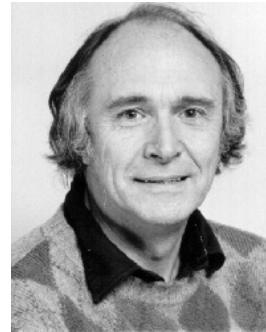
### FACULTY PROFILE

Those of you that read last year's newsletter will recall that Peter Lambert from the University of York in the UK visited us last year. Happily, we are pleased to report that Peter has decided to join us on a more permanent basis. In recruiting Peter we have unashamedly exploited his personal situation. Peter met, fell for, and married Polly Jamison, a well-known Eugene psychologist, last year. For the Economics Department, this presented an opportunity with no cost (that's not what we teach!!!), we got a world-class public economist with little or no recruiting effort expended.

Peter's career has been an interesting one. He received a First Class Honors degree in

mathematics from the University of Manchester (UK) in 1968, a Diploma in advanced mathematics from the University of Oxford in 1969, a D. Phil. in mathematics from the University of Oxford in 1971 and an M. Sc. in economics and econometrics from the University of York in 1977.

He began his career conventionally enough, teaching pure mathematics, at Wadham College Oxford from 1970-71. Then he got a little adventurous, switching to teaching mathematics at the University of Ibadan in Nigeria for



five years. Somewhere along the way, he developed a taste for economics receiving an inter-university council fellowship in the Department of Economics at the University of York in 1976. This was followed by a lectureship (assistant professorship) at the University of Hull in 1979. Then it was back to York for a lectureship 1979-90, senior lectureship 1990-92, readership 1992-94, and personal chair 1994-2003. Along the way, he also found time to visit Lehigh University, the University of Naples, the University of Yaoundé in the Cameroon, the Delhi School of Economics, the Hebrew University of Jerusalem, the Universities of Guelph and Western Ontario, the Finnish School of Economics and Business Administration in Helsinki, the University of Munich, the University of Bari, the University of Leuven, and the University of the Balearic Islands (We suspect he likes frequent flyer miles!!).

Given his rise to prominence at one of Britain's leading research universities, it isn't surprising to learn that Peter has a very distinguished research record. He has published 6 papers in mathematics journals and 65 in economics journals. He has written 6 books and contributed to 13 others. (We think he must have been writing on all those long plane flights). His contributions have been widely recognized by the economics profession. He is a research associate at the Institute for Fiscal Studies in London and at the CESifo Research Network at the Center for Economic Studies in the University of Munich. He has been elected to membership of the International Institute of Public Finance. Peter acted as the joint managing editor of *Bulletin of Economic Research* for seven years, is an editor of *Social Choice and Welfare* and has been on the editorial board of the

*Review of Income and Wealth*. He is currently an editor of the *Journal of Economic Inequality*.

At the time of writing, this profile Peter has seven more papers in the works, making us believe he must be on a plane somewhere. We do know that on December 5th he will be touching down in Eugene, his new permanent home.

## FACULTY RESEARCH TRAVEL

Our faculty continues to be very active and outgoing to put the University of Oregon on the radar of the global economics community. Last year two of our faculty took sabbaticals and traveled abroad to promote their research and establish new contacts. Bill Harbaugh spent the winter 2003 quarter on sabbatical in Aix-en-Provence, France. He did not learn any French worth mentioning, but he did give seminars in Lyon, Strasbourg, and Paris. When he called to tell his high school French teacher that he was giving a talk at the Sorbonne, she paused, and said, "In English, I hope." While in Aix, Bill sent the following email to the young parents in our Department, the advice of which we now pass on to all of you:

"So, here's a story from France for you new and prospective parents. It happened in Aix, but it could



Professor Bill Harbaugh

have been any town - even Pittsburgh, or Eugene. I'm in the laundromat, or lavomatique as we call it here. Just hanging out, watching the wash, reading the fashion mags. This lady comes in with her kid and the biggest damn teddy bear I've ever seen - maybe 5 feet tall, really stuffed, and very, very dirty. The lady takes the bear and starts

cramming it into the 22 kg washing machine, the largest they've got. It takes a while, and the kid is standing there, quietly watching, looking a little sad. The mom starts talking to him - in French; I can't understand but it's pretty clear what she is saying. The lady puts in the soap, the money, and the water starts pouring in. The kid looks at the bear,

scrunched up inside the washer and waves to it sadly and they leave. I watch as the suds start and the bear gets cleaner and cleaner. Snowy white. He's a giant polar bear, wet from swimming under the ice. Then I start folding, and when I look back the washer is full of brown foam - the bear burst during the spin and all the stuffing came out. It gets worse and worse, you can just see the floppy wet bearskin in there, surrounded by stuffing. I had to leave, sorry there's no ending. I just didn't want to be there when the kid came back. So I went across the street and had a beer. Sometimes not being the parent isn't so bad."

Anne van den Nouweland took a sabbatical in winter and spring 2003 quarters. She spent six months working as a



Professor Anne van den Nouweland

fellow at the Economic Theory Center at the University of Melbourne, Australia. She started joint research projects with several people in Melbourne and gave seminars at the University of Melbourne, Australian National University in Canberra, the University of Sydney, and the University of New South Wales in Sydney, the University of Adelaide, and the University of Queensland in Brisbane. She also

taught a class in microeconomics and participated in the 21<sup>st</sup> Australian Economic Theory Conference. While working hard during the week, she played even harder on the weekends and took the opportunity to experience and see as much as she could of that beautiful country "Down Under". She returned to Eugene with renewed energy and a love for Vegimite and Australian Shiraz.

After a two-year delay, Wesley Wilson is on sabbatical this year. Two and one-half years ago, he was asked to



Professor Wesley Wilson

put together a panel to describe issues in estimating transportation demands by the Army Corp of Engineers. The Army must do cost/benefit studies to justify the rehabilitation and/or replacements of locks on the waterway. They have been under considerable scrutiny in their efforts in the Washington Post, Congressional Hearings, and reviews by a variety of organizations including



the National Academy of Sciences. The panel and presentations took place two years ago, and eventually led to a multi-year funding package to study transportation demands and the benefits/costs of lock improvements on the waterway. Wes has been hired part-time by the Army to organize and work with academic researchers such as Ken Boyer of Michigan State and Kenneth Train of Berkeley to address the central criticisms of the various reviews of the Army's cost/benefit studies. He has also been involved a number of graduate students in this effort. He currently splits his time between Alexandria, Virginia and Eugene.

### VISITING FACULTY

This fall we are pleased to welcome back an old friend Thórólfur (Toti) Matthíasson from the University of Iceland. Toti last visited us in 1993 and has returned for a three-month sabbatical this fall. Toti is an expert on fisheries and the Icelandic economy and has held senior positions both in the Icelandic government, department of finance, and in the Icelandic union movement. A keen runner and kayaker, Toti fits right in to Eugene.

### OUR SEMINAR SERIES

One of the most important and enjoyable aspects of research is talking to other economists. One way we do this is by attending conferences and seminars, and the UO Economics faculty logs literally thousands of miles of travel each year as we head across the globe to talk to others. A second and equally important way to exchange ideas is through the Department's seminar series. During the academic year, the Department brings in top economists to talk about their own research. Past visitors include Severin Borenstein (Berkeley), Ned Gramlich (Federal Reserve Board of Governors), Maurice Obstfeld (Berkeley), and Tom Sargent (Berkeley). When a visitor comes to the UO, they spend their day meeting one-on-one with members of the Department including our graduate students. These discussions give us an opportunity to discuss our current projects with the speaker and get valuable feedback. Graduate students also benefit because this gives them practice in talking to others about

their work, which combined with the contacts they develop, is especially useful when they go on the job market.

The high point of the visit is the seminar, in which the speaker gives an in-depth presentation of their research. One of the things that sets our seminar series apart from others (besides our famous backwards-running clock) is that our series is Department-wide rather than specialized by field. This provides us with exposure to ideas and techniques other than those we typically see, further helping us to expand our research horizons. In addition to the regular seminar series, the Department has a visiting scholar program. These visitors give an additional public lecture to the University at large, providing both an interesting economics talk and a way for us to connect to the rest of the University.

All of our seminars are open to the public and are frequently attended by faculty and students from the UO business school, the psychology department, and economists from Oregon State University. Seminars typically take place from 3:30 to 5:00 on Friday afternoons. You can always access the current version of this year's seminar schedule at:

<http://darkwing.uoregon.edu/~rdavies/schedule2003-2004.pdf>.

Finally, our ability to bring in guests depends on our available funds, many of which come from alumni donations. Because of this we would again like to thank our donors. This year we are particularly grateful to George Slape, whose donations are making it possible for us to improve our series as detailed below.

### BOOST FOR THE VISITING SPEAKER SERIES

Thanks to a generous gift of \$25,000 from George Slape the Economics Department seminar series and visiting scholar program is in fine shape. This year we shall be using some of this gift to bring Professor Ben Lockwood from the University of Warwick (UK) to visit for a week in the spring. Ben is one of Europe's top experts in political economy and has many research interests in common with our faculty. We anticipate his time here will be highly productive. We are also in the process of setting up a visit by Professor Tim Besley from



the London School of Economics. Tim is an editor of the American Economic Review and is regarded by many as the best economist based in Europe.

## GIFTS

### \$2,000 and above

Slape, George and Connie  
Ankrim, Ernest and Karen  
Household Finance

### \$1,000 - \$1,999

Girdlestone, Walter  
Haworth, Charles and Joan  
Kennedy, John and Leanne  
Ranlett, John

### \$500 - \$999

Chambers, Ollie and Jo  
Bunting, Fredericka  
Cortez Development Group  
Worthington, David  
Harms, John  
Yang, Yung and Jane  
Gustafson, Craig  
Hwang, Eui-Gak and Young-Ja  
Price, Richard

### \$250 - \$499

Bonebrake, Mark and Marilyn  
Gersh, Sheldon and Ellen  
Kohl, William  
Freeman, Clifford  
Ramsthel, Steven and Margaret  
Shaw, Kevin and Marsha  
Ward, Kirk  
Kersnar, Jere  
Berry, Thomas and June  
Kolb, Jeffrey and Marie  
Lilley, Charles and Denise  
Ludwig, David and Kate  
Menacho, Victor and Mary  
Mikami, Sach and Miki  
Rader, Willis and Anne  
Southgate, Douglas, Jr.  
Thornton, James

### \$249 and below

Cook, Andrew  
Cote, Edith

Gnazzo, Jerold and Jane  
Hamilton, James  
Hiatt, John  
Mahoney, Michael and Dana  
Merryfield, Brooks  
Mills, Michael and Karen  
Moyer, Jimmy  
Tibbles, Lance  
Yoon, Suk and Yungja  
Simasko, James and Darla  
Rynerson, Charles  
Giles, Doug  
Jordan, Larry  
Kaylor, Jay and Barbara  
Martin, Christopher and Mary Simpson  
Mitchell, Alan and Ruth  
Rasor, Julia  
Riley, Kevin  
Smith, Brad and Marie  
Stevens, William and Susan  
Houchen, Loren and Donna  
Lehr, Ronald and Dona  
Anderson, John and Linda  
Bell, Jess  
Bhakti, Dharma and Adelina  
Blake, Daniel  
Brackebusch, Mark  
Brammer, Rick  
Bresee, Jeffrey  
Connolly, Coleen and James  
Davis, Richard  
Davis, Shaun  
Evans, Matthew and Elizabeth Smith  
Gardener Jr., William  
Graham, Bruce  
Hutchinson, Michael and Greta  
Jackson, Larry  
Jakola, Kate  
Jarmin, Ronald and Jennifer  
Jung, Chang  
Keil, Stanley and Kathleen  
Kim, Hyong  
Kim, Se Chan and JuHee  
Liebreich, Howard and Wendy  
Merschdorf, Richard  
Morrissette, Garth  
Orito, Ryotaro and Yaemi  
Peters, William  
Pyle, Jack  
Reeder, Brian and Bonnie

Schaper, Susan  
 Schunhoff, John  
 Shoemaker, Brian  
 Slawson, Frank  
 St. Louis, Larry and Elizabeth  
 Thompson, Curtis and Phyllis  
 Tinkler, Sarah  
 Toch, Michael  
 Traa, Bob  
 Weaver, Sheila and Larry  
 Williams, Dougal  
 Wood, Andrew  
 Zimmerman, Donald  
 Arthington, Michelle  
 Feinstein, Charles and Valerie  
 Fischer, Carl  
 Karia, Haridas and Sarojini  
 Knudsen, Steven and Lorona  
 Watts, Harold  
 Rhoads, James and Marilyn  
 Lindsay, Melissa Bauer  
 Jatoi, Anwarullah  
 Blais, James and Natalie  
 Brookes, Thomas  
 Carey, Lee and Debra  
 Chiang, Yuan  
 Culleton, Michael  
 Deatherage, David and Susan  
 Gay, Nancy  
 Lairson, Edward  
 Lehrkind, Robert and Shelley  
 Mathios, Michael  
 McDaniel, Richard and Nan  
 McWhorter, Rizza  
 Murray, James  
 Ross, Larry and Vicki  
 Sonstegaard, Miles and Loretta  
 Volz, Robert  
 Wagner, Richard and Celia

Wells, James Jr. and Hazel  
 Wong, Barry  
 McKinlay, Bruce  
 Baker, Terri and Ross  
 Barsby, Steven  
 Dalenberg, Doug and Kristi  
 Donald, David  
 Green, Doug and Barbara  
 McDonald, William, Jr. and Patricia  
 Ranslem, Wayne and Tracy  
 Ross, Steven  
 Saunders, John and Janet  
 Tack, Helen  
 Tripp, Thomas and Linda Mann Davis  
 De Young, Wilbur  
 Harris, William  
 Summerfelt, Robert  
 Kembuan, Franklin  
 Kurland, Brian

### THE UNDERGRADUATE PROGRAM

The undergraduate economics program at the University of Oregon continues to be strong with 415 majors this fall term, over 100 minors, and 150 graduating seniors this past spring. While total undergraduate enrollment at the University of Oregon has gone up significantly in the last five years, the percentage increase in UO economics majors has far outpaced this general increase. Interestingly, this trend has come solely from increases in U.S. students, as the number of international students University-wide and in the economics major has been relatively constant. Another noticeable trend has been the increasing number of female students in UO economics, who now comprise almost 30 percent of our majors.

The job market was (not surprisingly) more difficult for our graduates this year than in previous years, yet there were solid placements by our undergraduate majors with companies such as Wells Fargo, Afflac Insurance, Bates Private Capital, Addeco USA, and the Corps of Engineers. As usual, a number of recent graduates went on to top graduate schools in economics, law, and business, including programs at Cornell University, Dartmouth, University of Arizona, University of Pittsburgh, and Willamette University.

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During the school year, there was an active group of over 30 peer advisors that helped advise many current and prospective economics majors, as well as coordinate a number of public events focusing on career, internships

and graduate study possibilities for economics majors. In both the fall and spring terms, we had an "Economics Career Day" where the focus was a panel of alumni that discussed how the economics degree prepared them for their career and answered questions from the audience of current majors. Big thanks go to alums Gary Feldman (1977), Mark Stevens (1996), Matt Kershner (1997), Adrienne Burns (1999), Eric Christenson (2000), and Crissy Coleman (2000), who came to campus to share their experiences with current majors. Any alums out there who would be interested in participating in future panels, please contact our Director of Undergraduate Studies, Prof. Bruce Blonigen (Ph: 541-346-4680, Email:

bruceb@darkwing.uoregon.edu). This fall our students also participated in "Meet the Firms" night with finance and accounting majors.

Our students have also been active in pursuing internship experiences. Approximately 20 students received academic credit for internships this past year at such places as the Adam Smith Institute (London, UK), RBC Dain Rauscher, Merrill Lynch, Eugene Country Club, Victoria's Secret, Artesia Industries, Smith Barney, American Express, and the Springfield Chamber of Commerce. A number of our graduating seniors turned internship experiences into full-time positions with the same company. A *big thanks* goes to Prof. Tim Duy for all of his assistance in coordinating the Internship program, assisting with undergraduate advising, and continuing to teach excellent subjects in economics.

Finally, our undergraduate majors received numerous Departmental and University-wide awards. Fourteen students received honors in economics, which required a high GPA in their



Professors Tim Duy (TL) and Bruce Blonigen (BL) enjoying an outing with economics peer advisors.

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upper-division economics courses and an honors thesis written in consultation with a faculty member. This may be a record number of honors theses, though many of them came through the new honors research class developed by Profs. Blonigen and Harbaugh. Six of our

students were also inducted into Phi Beta Kappa honors, with Oliver Levine also being named as one of the "Oregon Six". This is a prestigious honor at the University of Oregon that goes to the top six Phi Beta Kappa scholars on campus each year. Hope Siler graduated Summa Cum Laude (GPA in top 1 percent of her class), while five other economics majors graduated Magna Cum Laude or Cum Laude. Finally, Graham Crawford was honored as "Peer Advisor of the Year" at the University of Oregon, while Reva Shrestha was named recipient of the Daniel Cohen Scholarship in Economics, receiving a \$1000 award for her future academic studies. Supported by a generous gift from alumnus Daniel Cohen, candidates were evaluated on the basis of the overall quality of their academic record, potential for further academic achievement, and leadership in community service activities. In summary, it was truly a talented graduating class.

## NON-PROFIT CLASS

Bill Harbaugh and Bruce Blonigen have started a new course in Non-Profit and Community Economics, an honors course. The objective of the course is to have students complete a research paper that will satisfy the Department's requirements for graduating with honors, provide them with some practical experience applying skills in economics and statistics, and give the community groups a finished research project that gives them useful answers to questions that matter for their decision making. Generally, this involves identifying a problem, collecting data, doing some statistical analysis, writing a paper, and



Students Reva Shrestha and Felicia Lorilli co-wrote honors paper entitled, "The Economic Effects of Local Purchasing Preferences: A Case Study of Computer Systems West in Lane County."

giving a PowerPoint presentation of the results to the community group.

Last year the course had ten students, working on five research projects. These students, without exception, saw this as a capstone to their experience as economics majors and they told us the class profoundly affected their understanding of what they could do with their economics skills. In addition, the community groups were blown away with the project results and the projects look great on student resumes.

The course starts with presentations by representatives from local non-profit and government agencies, talking about what they do and how they think economic analysis might help them do it better. There's a lot of discussion here, since they often don't have a complete idea of what sorts of things economic analysis can accomplish. Then Bruce and Bill give some lectures about relevant economic techniques, such as benefit/cost analysis, concentrating on how to apply them. Then students set to work on the projects. There is a lot of interaction with the agencies, as well as with Bruce and Bill.

One of the projects tackled in the class involved an analysis of the economic benefits of the Eugene hiking trail network. Dane Jensen and Jared Durham got data on every housing sale for the last ten years in the areas around the South Ridgeline Trail System. (If you've ever hiked up Spencer's Butte, you know the area we're talking about.) The data that is available is pretty impressive - everything from the date and amount of the sale to the square footage of the garage and the number of bathrooms. They then built a regression model, explaining the sales price as a function of the house characteristics, and the distance to a hiking access point. They found that houses closer to a trail were indeed worth more money, and they came up with estimates for the value of the trail system, in terms of higher property values, ranging from 80 to 300 million dollars. They presented these results to the Eugene city planners and parks people, who were very excited about the results, and a bit surprised to find that our economics undergraduates have the ability to apply their econometric skills to such a practical and important question. Next year we hope

to put more students to work on this, extending the analysis to the general question of how much the city should charge land developers in development fees for use of a wide range of city services.

Another project undertook a detailed benefit/cost analysis of local tax incentives used to attract Hynix Semiconductor to the Eugene area in the mid 1990s. This has been a controversial issue for the Eugene community. However, in talking with economic development staff at the Lane Council of Governments, Jen Witt and Melinda Rowan realized that there had been almost no objective analysis of what the actual costs and benefits have been from Hynix's location here. Jen and Melinda undertook extensive data collection from state and local agencies, as well as Hynix, and used the data to make economic estimates of the local impacts of Hynix on the Eugene community. Their analysis came to the surprising conclusion that it wasn't even close - the positive impacts outweighed the negative impacts by a considerable margin. Their presentations to representative from Hynix and the Eugene Chamber of Commerce were well received, and even led to talk of using their study to lobby state legislators to enhance Eugene's ability to offer such incentives for prospective firms. It also led to press releases from the Chamber of Commerce and interesting debates that played out in the Register Guard. There is much interest from many to follow up this study with similar ones - for example, a benefit/cost study of Sony Disc Manufacturing, a high-profile firm that recently left the area after receiving tax breaks.

Papers from this and other honors projects can be found at the website <http://economics.uoregon.edu/honors/>.

## THE GRADUATE PROGRAM

This remains one of the country's few quality terminal Master's programs. This year we welcome seven Master's students. Mohammed Alotaibi received his Bachelor's degree in 1991 from Umm Al-Qura University in Saudi Arabia majoring in mathematics and educational preparation and a Master's degree from the University of Central Florida in 2003 in mathematical science. Timothy R. Berry received his Bachelor's degree in 2002 from the University of Oregon majoring in economics and Chinese. Stephen Imperiale-Hagerman received his Bachelor's degree in 2003 from Saint Mary's College of California in Moraga majoring in economics. Chang Yong Kim received his Bachelor's degree in 1999 from Inje



University in Korea majoring in applied statistics and a Master's of Business Administration in 2002 from Western Washington University in Bellingham. Chanwoo Park received his Bachelor of Business Administration degree in 2000 from Kyonggi University in Korea majoring in international trade. Oleg Smirnov received his Bachelor's degree in 2000 from Rostov State University in Russia majoring in journalism and a Master's degree in 2003 from the University of Oregon in political science.

Our Ph.D. program continues to go from strength to strength. This year we graduated five students all of whom found excellent jobs. Michael Enz, Ben Liebman and Grace Wang took faculty positions at Western New England College, St. Joseph's University (Philadelphia) and Marquette University (Milwaukee) respectively. Aaron "Iceman" Guse is working as a post doc with Professor Honkapohja at the University of Helsinki. Seunggi Kim took an excellent (4th level) job with the Korea National Assembly.

Our current graduate students continue to uphold the traditions of excellence. This year the "Best Ph.D. Research Paper Award" went to Michael Visser, for a paper entitled "Auction Seller Behavior". Mike is working with professors Harbaugh and van den Nouweland. Outstanding teaching awards were earned by Oguzhan Dincer, Steve Kosovich, Mark Stater, and Miao Wang.

This year we have a large class of new students. Daniel Burghart who received his Bachelor's degree in 2001 from Oregon State University majoring in economics and has successfully completed two terms in our Master's program. Beilei Cai who received her Bachelor's degree in 2002 from Changchun University in China majoring in international trade. Cody Custis received his Bachelor's degree in 2003 from the University of Montana in Missoula majoring in economics and mathematics. T. Scott Findley who received his Bachelor's degree in 2000 from Utah State University in Logan majoring in political science and philosophy, and is currently completing a concurrent Master of Science and Master of Arts in political science and economics at Utah State University. Kellii Haraguchi who received his

Bachelor's degree in 2002 from Puget Sound University in Tacoma majoring in economics. Ryan Herzog who received his Bachelor's degree in 2003 from Pacific Lutheran University in Tacoma majoring in economics. Jeffrey Hoffman received his Bachelor's degree in 2003 from the University of Kentucky majoring in economics. Jia Lu received her Bachelor's degree in 2001 from the University of Colorado at Denver majoring in economics. Andrew Margeson received his Bachelor's degree in 1972 from Colgate University in New York majoring in political science and received a Master's of Public Affairs from Princeton University in 1975. Nino Sichinava received her Bachelor's degree in 2002 from Whitworth College in Spokane majoring in economics and international business. L. Christina Steiger received her Bachelor's degree in 2001 from the University of Chicago in physics. Danai Tanamee received his Bachelor's degree in 1998 from King Mongkut's Institute of Technology in Bangkok majoring in construction engineering. He also received a Master's degree from Eastern Michigan University in Ypsilanti in economics in 2003. Nga Tran received her Bachelor of Science degree in 1997 from the University of California at Davis majoring in mathematics and her Bachelor of Arts in 2001 from the California State University in Sacramento majoring in economics. She also received her Master's degree in 2003 from the California State University in San Francisco in economics.

## GRANTS AND OUTSIDE FUNDING

**Trudy Cameron** recently secured a one-year extension on the Statistical Lives project, along with another \$70,000 in supplementary funding. The majority of this funding will come to the University of Oregon as a subcontract to continue the support of Ryan Bosworth, one of our Ph.D. students.

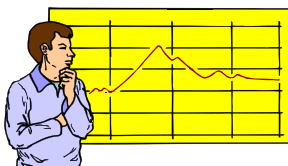


Professor Trudy Cameron

**SEMINAR SERIES FOR 2003-2004**

**A**s always, we are very pleased to be able to continue to bring in top researchers for our seminar series. Our success in this is due in no small part to the generosity of our donors, and we thank them for it. A list of our speakers for 2003-2004 is below. These seminars are open to the public, and we invite all of you to attend. If you would like more information or if you would like to be placed on our email list for announcements, please call the Economics Department at (541) 346-4661. You can always find the current list at <http://darkwing.uoregon.edu/~rdavies/schedule2003-2004.pdf>.

<b>SPEAKER</b>	<b>DATE</b>	<b>AFFILIATION</b>
<b>Fall 2003</b>		
John Leahy	9/29	NYU
Paul Oyer	10/3	Stanford
Bennett McCallum	10/10	Carnegie Mellon
David Neumark	10/17	PPIC
Thorolfur Matthiasson	10/24	Iceland
Philip Cross	10/31	Georgetown
Andrew Dyke	11/7	NC
Eric Fisher	11/14	Ohio State
Michael Noel	11/21	UCSD
Bob Slonim	12/5	CWRU
Ben Lockwood	TBA	Warwick
<b>Winter 2004</b>		
Alan Deardorff	2/20	Michigan
Ed Lazear	2/27	Stanford
Peter Kuhn	3/5	UCSB
<b>Spring 2004</b>		
Eric Bettinger	4/2	Case Western
Amitabh Chandra	4/9	Dartmouth
Peter Egger	4/16	WIFO/Notre Dame
Helen Levy	4/23	Chicago
Matt Slaughter	4/30	Dartmouth
Ken Hendricks	5/7	Texas
Jim Ziliak	5/14	Kentucky
Marianne Bertrand	5/21	Chicago
Nisvan Erkal	5/28	Melbourne
Gordon Hanson	6/4	San Diego



## FACULTY PUBLICATIONS

**Bruce Blonigen**

“Dynamic Pricing in the Presence of Antidumping Policy: Theory and Evidence.” *American Economic Review*, forthcoming, with Jee-Hyeong Park.

“The Cost of Antidumping: The Devil is in the Details.” *Journal of Policy Reform*, forthcoming, with Thomas J. Prusa.

“Antidumping and Retaliation Threats.” *Journal of International Economics*, Vol. 60 (August 2003), pp. 249-273, with Chad Bown.

“Food Fight: Antidumping Activity in Agricultural Goods.” in G. Anania, M. Bohman, C. Carter, and A. McCalla (Eds.), *Agricultural Policy Reform and the WTO: Where Are We Heading?*, Edwin Elgar Publishers, forthcoming.

“Antidumping.” in E.K. Choi and J. Harrigan (Eds.), *Handbook of International Trade*, Oxford, U.K. and Cambridge, MA: Blackwell Publishers, 2003, with Thomas J. Prusa.

**Bruce Blonigen and Ron Davies**

“Estimating the Knowledge-Capital Model of the Multinational Enterprise: Comment.” *American Economic Review*, Vol. 93 (June 2003), pp. 980-994, with Keith Head.

“Do Bilateral Tax Treaties Promote Foreign Direct Investment?” in J. Hartigan (Ed.), *Handbook of International Trade: Economic and Legal Analysis of Laws and Institutions*, Oxford, U.K. and Cambridge, MA: Blackwell Publishers, forthcoming.

**Shankha Chakraborty**

“Endogenous Lifetime and Economic Growth.” *Journal of Economic Theory*, forthcoming.

**Ron Davies**

“Gradualism in Tax Treaties with Irreversible Foreign Direct Investment.” *International Economic Review*, forthcoming, with Richard Chisik.

“Asymmetric FDI and Tax Treaty Bargaining: Theory and Evidence.” *Journal of Public Economics*, forthcoming, with Richard Chisik.

“Tax Treaties, Renegotiations, and Foreign Direct Investment.” *Economic Analysis and Policy*, forthcoming.

“State Tax Competition for Foreign Direct Investment: A Winnable War?” *Journal of International Economics*, forthcoming.

**Chris Ellis and Anne van den Nouweland**

“A Mechanism for Inducing Cooperation in Non-Cooperative Environments: Theory and Applications.” *Journal of Public Economic Theory*, forthcoming.

**George Evans**

“Coordination on Saddle Path Solutions: the Educative Viewpoint. - Linear Univariate Models.” *Macroeconomic Dynamics*, Vol. 7 (Feb. 2003), pp. 42-62, with Roger Guesnerie.

Introduction to the Special Issue “Coordination in Dynamic Expectations Models: Learning and Sunspots.” *Macroeconomic Dynamics*, Vol. 7 (Feb. 2003), pp. 3-6, with Roger Guesnerie.

“Expectational Stability of Stationary Sunspot Equilibria in a Forward-looking Linear Model.” *Journal of Economic Dynamics and Control*, Vol. 28 (2003), pp. 171-181, with S. Honkapohja.

“Existence of Adaptively Stable Sunspot Equilibria Near an Indeterminate Steady State.” *Journal of Economic Theory*, Vol. 111 (2003), pp. 125-134, with Seppo Honkapohja.

“Friedman's Money Supply Rule vs. Optimal Interest Rate Policy.” *Scottish Journal of Political Economy*, forthcoming, with Seppo Honkapohja.

“Adaptive Learning and Monetary Policy Design.” *Journal of Money, Credit and Banking*, forthcoming, with Seppo Honkapohja.

“Stable Stationary Sunspot Equilibria with Predetermined Variables.” *Journal of Economic Dynamics and Control*, forthcoming, with Bruce McGough.

“Comment on Orphanide’s and William’s Paper” in *Inflation Targeting*, ed. M. Woodford, NBER, forthcoming.

**Bill Harbaugh and Anne van den Nouweland**  
“Demonstrating Worker Quality Through Strategic Absenteeism.” *International Game Theory Review*, forthcoming.

**Van Kolpin**  
“Voting Power Under Uniform Representation.” *Economics Bulletin* (Jan. 2003).

**Larry Singell**  
“Come Stay a While: Does Financial Aid Affect Retention at a Large Public University.” *The Economics of Education Review*, forthcoming.

**Anne van den Nouweland**  
“An extension of the  $\tau$ -value to games with coalition structures.” *European Journal of Operational Research*, Vol. 148 (2003), pp. 494-513, with Balbina Casas-Mendez, Ignacio García-Jurado, and Margarita Vázquez-Brage.

**Robin McKnight**  
“Why Did Employee Health Insurance Contributions Rise?” *Journal of Health Economics*, forthcoming, with Jonathan Gruber.

**Wesley Wilson**  
“Industry Costs and Consolidation: Efficiency Gains and Mergers in the Railroad Industry.” Mountain Plains Consortium Report MPC-03-145, Upper Great Plains Transportation Institute (June 2003), with John Bitzan.

“Costing Individual Railroad Movements.” Upper Great Plains Transportation Institute Department Publication No. 153 (Sept. 2003), with John Bitzan.

“The Economics of Railroad Operations.” *Transportation Engineering Handbook*, forthcoming, with Mark Burton.

## FACULTY PRESENTATIONS

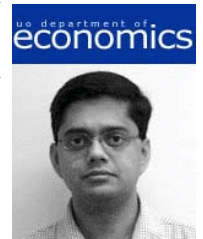
**Bruce Blonigen** presented papers at the National Bureau of Economic Research, Syracuse University, Pennsylvania State University, Utah State University, Western Washington University, and the 2003 American Economic Association Meetings in Washington, DC.



**Trudy Cameron** presented work at Lewis and Clark College (the Steinhardt Lecture), the NBER summer workshop in Environmental Economics, the Canadian Resource and Environmental Economics conference, the Southern California Occasional Workshop in Environmental Economics, the Heartland Conference in Environmental Economics, an EPA Workshop on Valuing Environmental Health Risk Reductions to Children, and the Annual Workshop of the Association of Environmental and Resource Economics.



**Shankha Chakraborty** presented papers at the St. Louis Fed, the New York Fed, and the North American Summer Meetings of the Econometric Society at Northwestern University.



**Ron Davies** presented papers at the Fragmentation and Services Conference in Claremont, CA, the Midwest International Economics Conference in Bloomington, IN, the 2003 American Economic Association Meetings and Georgetown University, both in Washington D.C.



**Chris Ellis** presented papers at the 2003 American Economic Association Meetings in Washington D.C., the conference “Crime, Corruption and Violence: Theory and Applications to Brazil and Latin America”, the Public Economics Working Group (Public Finance Weekend), the 2003 Public





Economic Theory Meetings, and the European Meeting of the Econometric Society. Chris also visited the University of Birmingham.

**George Evans** presented papers at Vanderbilt (Terry Dornbush Lecturer), San Francisco Federal Reserve Bank, Cleveland Federal Reserve Bank, the JMCB conference on Recent Developments in

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Monetary Macroeconomics, the 2003 American Economic Association annual meetings in Washington D.C., the NBER conference on Inflation Targeting, the Atlanta Federal Reserve Bank Conference Monetary Policy and Learning, the CEPR Conference in Berlin

(Germany), and the CFS Research Conference in Eltville (Germany). He also delivered the Plenary Address to the Society for Computational Economics Annual Meeting at the University of Washington (Seattle). In addition, George was a Visiting Scholar/Consultant at the Federal Reserve Bank of Cleveland, and a Visiting Scholar at the Federal Reserve Bank of St. Louis.

**Bill Harbaugh** has given talks about his research on the development of economic behavior in children at the Sorbonne, the ASSA meetings, Stanford University, Case Western Reserve University, CU-Denver, the Exeter University Psychology Department, Utah State University, and the Environmental Protection Agency.

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**Van Kolpin** presented papers at "The Value at 50 Conference" in honor of the 50th anniversary of the Shapley Value and at Rutgers University.

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**Larry Singell** presented a paper at the NBER Higher Education Meetings at Lehigh University.

**Anne van den Nouweland** presented papers at the Australian National University, the University of Sydney, the University of New South Wales, the University of Melbourne, the University of Adelaide, the University of Queensland, and at the 21<sup>st</sup> Australian Economic Theory Conference, all in Australia. She also presented at the University of California in Santa Barbara.



**Glen Waddell** presented papers at the North American Summer Meetings of the Econometric Society in Chicago, at the IZA/SOLE Transatlantic Meeting of Labor Economists in Buch am Ammersee (Germany), and

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at the NBER Universities' Research Conference on Corporate Governance in Cambridge. Glen's recent working paper, which demonstrates significant labor-market consequences of poor attitude and low self-esteem in youth, was used by The National Campaign to End School Violence. Dennis Murphy, the movement's founder,

encourages charitable donations by citing results from this paper, as "a much more compelling case can be made for the importance of developing solutions" when real economic consequences may be improved by the campaign's efforts.

**Wesley Wilson** presented papers at the TPUG ASSA meetings and the 16<sup>th</sup> Annual Meetings Advanced Workshop in Regulation and Competition.

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## FACULTY SERVICE

**Bruce Blonigen** continues to do an excellent job as Director of Undergraduate Studies. This year the Undergraduate Studies Committee worked to better standardize our core courses in theory and econometrics for the undergraduate program, including adoption of

common textbooks and syllabi. In conjunction with the Registrar's Office, we also established a system to automatically enforce course prerequisites before students can enroll in an upper division economics course. Our goal is to better develop students' fundamental economic skills for the important upper-division field courses and early returns suggest that we are getting more prepared students in these classes.

**Trudy Cameron** continues her work as Chair of the Council for Clean Air Compliance Analysis of the US EPA's Science Advisory Board.

**Ron Davies** has given guest lectures in Environmental Studies, the Social Sciences Honors Track, and the Science Honors College. He is currently on the UO's Foreign Study program committee and coordinates the Department's seminar series. He continues to serve as the Faculty Advisor for the UO Chapter of Alpha Phi Omega, a national co-ed service fraternity. He also wrote a sidebar on international trade for an article by Representative Peter DeFazio that appeared in *Oregon's Future*.

**Chris Ellis** continued to be involved in the UO Senate and on the Campus Planning Committee. In addition, he served on the Dean's Advisory Committee, and the Department's Personnel Committee. He was also our Director of Master's Studies. In addition, Chris is preparing a new undergraduate course, "Games people play".

**George Evans** served as our Director of PhD studies and was on the Personnel Committee. He also is Associate Editor for JEDC and Macroeconomic Dynamics and he is on the Board of Advisors for Journal of Economic Surveys. He was Co-Editor for a Special Issue of Macroeconomic Dynamics.

**Jo Anna Gray** continued to serve on the Graduate Council, and was on the Department's Personnel Committees.

**Bill Harbaugh** served as a Grant Review Panelist for the National Science Foundation.

**Stephen Haynes** continues to do an excellent job as Economics Department Associate Head. Also,

is serving on Personnel Committee, serving as chair of fall 2003 Faculty Search Committee, is a member of the University Senate, and the University Education Technology Committee.

**Van Kolpin** continues to do an excellent job as Economics Department Head.

**Larry Singell** was appointed an Associate Editor of the Economics of Education Review and he wrote reports on the economic impact of the University on the State of Oregon as well as a report on the economic impact of Major League Baseball in Portland on the State for the Portland Sports Authority.

**Shankha Chakraborty** gave several guest lectures in the International Studies program.

**Robin McKnight** developed a new undergraduate course in Health Economics for our Department. She also was appointed as a Faculty Research Fellow in the NBER Health Care program.

**Glen Waddell** discussed minimum wage legislation with local ABC and CBS affiliates. He also discussed gasoline markets with ABC and CBS affiliates, as well as the Portland Oregonian.

**Wesley Wilson** chaired the University Committee for OSRL Director and served on the Advisory Boards of OSRL and the Career Center. He also served on the Executive Committee of the TPUG AEA.



Professor JoAnna Gray



Professor and Associate  
Department Chair  
Stephen Haynes

**ALUMNI WEB PAGE**

**W**e encourage you all to visit the Department of Economics web page at <http://economics.uoregon.edu/>. There is a link to the alumni web site as well. On this web site, there is a directory of alum that has just been added. Please fill out the provided form on the web site to be added to the directory.

If you wish to be added through more conventional methods, please fill out the following form and mail it to us.

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Degree:

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University of Oregon  
Eugene, Oregon 97403-1285

The Envelope

**G**ifts from our alumni support a wide variety of programs that would be impossible to otherwise provide, given shrinking state support for higher education. Donations fund prizes for undergraduates, and programs that encourage student/faculty interaction. These gifts expose the students and faculty to current research by funding campus visits and lectures by distinguished faculty from other universities. They buy computers and software for our students, ensuring that they will develop up-to-date skills. We welcome your contributions of any amount.

**If you want your gift to go to the Economics Department,  
please check the appropriate box on the donor card.**

*Thank you!*



The Economics faculty and families celebrate Burns's night (kilts required) hosted by Professors Chris and Jenny Ellis.

