



ECONOMICS DEPARTMENT NEWSLETTER

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Mann Selected for Inclusion in Who's Who in Economics

Mike Mann is part of a select group of economists chosen for inclusion in Who's Who in Economics (MIT Press, 1983). Mike's principal contributions to economics are described in the volume as follows:

Established, through replication, the consistency of Bain's findings that entry barriers matter importantly in affecting the ability of firms to price persistently in monopolistic fashion. As part of ongoing research with J.A. Henning, attempting to demonstrate that the notion of causal priority provides a potentially significant means by which to uncover causal relationships among industrial organization variables.

Social Welfare Research Institute Refunded

The Social Welfare Research Institute at Boston College (SWRI), directed by Barry Bluestone, received in September a \$400,000 grant from the U.S. Department of Health and Human Services to continue research and development of the Multi-Regional Policy Impact Simulation model (MRPIS).

Begun in 1980, MRPIS is a large scale microsimulation model of the U.S. economy that mimics the circular flow of income and employment through a household sector, a product market, a multi-regional input-output model, and a disaggregated labor market. The model is used to estimate the potential impact on the distribution of income of a wide variety of federal tax, transfer, and expenditure policies. Unlike most econometric models of the U.S., MRPIS is capable of generating simulation results that are state, industry, and occupation specific. Moreover, because the household sector of the model contains information on a large micro-sample of families, it is possible to estimate how tax, transfer, and expenditure policies affect various demographic groups, for example, minority groups or families headed by women.

The 1983 funding will permit the SWRI staff to develop a fully specified Level 2 model based on a prototype constructed during the past two years. The Level 2 model will contain information from the 1982 Current Population Survey and will rely on the construction of a brand new multi-regional input-output matrix. Once complete, sometime before September 1984, the Level 2 model will be ready to answer a broad range of policy questions posed by federal government agencies, members of Congress, and state governments. MRPIS development will be an ongoing project of SWRI with three higher level models planned for the next five years.

The SWRI model is directed by John Havens (Grad Econ) and Barry Bluestone and has on staff a number of current and former BC economics graduate students including Lynn Ware, Alan Matthews, Carol Pepin, and Dan Swaine.

I. FACULTY RESEARCH AND ACTIVITY

James E. Anderson and Marvin Kraus

Publications

"An Econometric Model of Regulated Airline Flight Rivalry," Research in the Economics of Transportation, forthcoming 1984.

Christopher F. Baum

Publications

"The Evaluation of Historical Policy via Optimal Control Techniques," in Applied Decision Analysis and Economic Behaviour, A.J. Hughes-Hallett, ed., Martinus Nijhoff, forthcoming early 1984.

"The Effects of an Activist Policy on Macroeconomic Stability," with E.P. Howrey, in Proceedings of the Fourth IFACS/IFORS Conference on the Modeling and Control of National Economies, T. Basar, ed., Pergamon Press, forthcoming early 1984.

David Belsley

Publications

"Centering, the Constant and Diagnosing Collinearity," in Model Reliability, Edwin Kuh, ed., September 1983.

"Demeaning Conditioning Diagnostics Through Centering," The American Statistician, forthcoming.

"Collinearity and Forecasting," Journal of Forecasting, forthcoming.

Conferences and Presentations

"Elements in Assessing the Conditioning of Nonlinear Models," presented at the IFACS/IFORS meetings, Washington, D.C., June 1983. This paper will provide the basis for seminars at the University of Montreal and at the Harvard Statistics Symposium in December.

David Belsley (continued)

Research

"Conditioning in Models with Logs," Technical Report #41, CCREMS, M.I.T., August 1983.

"Eigenvector Weaknesses and Other Topics in Conditioning," Technical Report #42, CCREMS, M.I.T., August 1983.

Frank M. Gollop

Publications

"Environmental Regulations and Productivity Growth: The Case of Fossil-fueled Electric Power Generation," with Mark Roberts, Journal of Political Economy, August 1983.

"Sectoral Measures of Labor Cost for the United States, 1948-1978," with Dale Jorgenson, in Jack E. Triplett, ed., The Measurement of Labor Costs, NBER/University of Chicago Press, 1983.

Research

"From Homogeneity to Heterogeneity: A Proper Index of Diversification"

Michael Mann

Conferences and Presentations

Discussant for O. Williamson's "Credible Commitments: Using Hostages to Support Exchange" at the Seminar on Economics and Antitrust on the Occasion of the Tenth Anniversary of the Establishment of the Economic Policy Office, Antitrust Division, U.S. Department of Justice. Papers and comments will be published in the Antitrust Bulletin.

Joseph F. Quinn

Publications

"Influencing Retirement Behavior: A Key Issue for Social Security," with Richard Burkhauser, Journal of Policy Analysis and Management, Fall 1983.

"Is Mandatory Retirement Overrated? Evidence from the 1970s," with Richard Burkhauser, Journal of Human Resources, Summer 1983.

Comments on "Trends in Social Security Wealth by Cohort" by Robert Moffitt, in The Measurement and Distribution of Economic Transfers, Marilyn Moon, ed., NBER Studies in Income and Wealth, University of Chicago Press, forthcoming 1983.

Conferences and Presentations

"The Carrot and the Stick: Why No One Works Beyond 65 Any More," Economic Lecture Series, Western Michigan University, September 1983.

"Retirement Income Rights as a Component of Wealth," presented at the Eighteenth Conference of the International Association for Research in Income and Wealth, Luxembourg, August 1983.

"The Economic Status of the Elderly: Beware of the Mean," Keynote Address, Annual Meeting of the Family Economics Association, Madison, Wisconsin, June 1983.

Barbara Spencer

Publications

"Trade Warfare: Tariffs and Cartels," with James A. Brander, Journal of International Economics, forthcoming.

Conferences and Presentations

"International R&D Rivalry and Industrial Strategy" (Review of Economic Studies, October 1983), presented at faculty seminars at Australian National University, Monash University and the University of New South Wales, May-June 1983.

Barbara Spencer (continued)

"Trade Warfare: Tariffs and Cartels," presented at the NBER Summer Institute in International Trade, August 1983.

Participant, NBER Conference on Recent Initiatives in U.S. Trade Policy, Cambridge, Mass., August 1983.

Participant, NBER Research Group Meeting on Trade Policy, Cambridge, Mass., August 1983.

Participant, NBER Summer Institute on the Economics of Productivity Change, Cambridge, Mass., August 1983.

II. GRADUATE STUDENT AND ALUMNI ACTIVITY

William L. Casey, Jr. (Ph.D. 1967)

Bill's new book Entrepreneurship, Productivity and the Freedom of Information Act was published by Lexington Books this past summer. The book examines the economic impact and costs of the Freedom of Information Act on U.S. industrial activity. The book is co-authored by Bill's Babson College colleagues John Marthinsen and Laurence Moss. Bill is a Full Professor and Chairman of the Economics Department at Babson.

Mario Fortuna

Mario defended his thesis "Separability in the Model of Household Demand for Financial Assets under Uncertainty" in July. Mario is in his first year on the faculty at the Universidade Dos Acores, Acores, Portugal.

Mark Klock

Mark defended his thesis "Dividend and Debt Decisions of Firms" in July. Mark plans to work in the Washington, D.C. area.

Jack Lucken (Ph.D. 1972)

Jack discussed a paper "Structural Incomes Policy for the U.S.: Lessons from Japan" (by Robert Evans) at the November, 1983 Japan Economics Seminar at the Yale University Growth Center. Jack is on the faculty of the Graduate School of Business Administration at Rutgers University.

Clark Ross (Ph.D. 1976)

Clark has been tenured, promoted to Associate Professor and appointed Chairman of the Economics Department at Davidson College.

Hwee-Eng Yap (M.A. 1983)

Hwee-Eng has recently taken a position as an economist with Competitive Assessment Center, Cambridge, MA.