



NEWSLETTER

Wellesley College Department of Economics

May 2005

Dear Alumnae, Graduating Seniors, Former Faculty, and Friends of Economics at Wellesley,

As my first year as chair draws to a close, I am glad to have the chance to send you greetings and news from the Economics Department. It has been a busy and eventful year, and while I would like to say I have really loved every moment of being chair, it strikes me as inappropriate to lie in the newsletter. There is, however, plenty of true news to report.

First, congratulations to **Eric Hilt** on being named a Faculty Research Fellow at the National Bureau of Economic Research, where he will be spending his leave next year. Congratulations are also in order to **Joseph Joyce**, who received a Mellon Mid-Career grant in support of new course development next spring. Joe and Eric, along with **Kyle Kauffman**, **Patrick McEwan**, **Sue Skeath** and **Ann Witte** will be on leave for all or part of next year. We were also pleased to welcome **Courtney Coile** back from her sabbatical and parental leaves – it is great to have her around every day once again.

Economics majors in the class of 2005 also had a successful year. **Maeve Gearing** and **EeCheng Ong** received Schiff fellowships in support of their senior thesis research. EeCheng was also invited to present her research at the Carroll Round at Georgetown University, a prestigious international economics conference for the nation's top

undergraduates. Many other majors were recognized for their achievements at our annual Senior Majors' Dinner in April; the list of award winners can be found below. The dinner was a great opportunity for faculty and students to relax together, celebrate our achievements, and enjoy a good laugh.

The department faculty continues to change composition, as it does every year. **Melissa Kearney** will not be returning to Wellesley – she and her husband have decided to stay in Washington, where Melissa will continue at the Brookings Institution. Melissa and Dan will be welcoming their first child this summer, and we wish them all happiness with their new family. We have made two excellent new tenure-track hires, and **Stacy Sneeringer** and **Malhar Nabar** will be joining us this summer.

Finally, there were a number of exciting events in the department and the building this year. In the fall, **David Lindauer**, faculty director of Pendleton East, in cooperation with Kimberly Chin of CPLA, hosted a series of college-wide events around the presidential debates and election. These events were extremely well attended and, we hope, started a new tradition for us. In the spring, thanks to the support of **Marshall and Merle Goldman**, we were able to welcome **Martin Feldstein**, **George F. Baker Professor of Economics at Harvard University**, and **President, NBER**, who gave a timely and engaging talk on Social Security reform.

We look forward to seeing some of you at the Economics Department reception during this year's Reunion Weekend; our reception is scheduled for 3 – 4 p.m. on Saturday, June 11. If you can't join us in person, please take a few minutes to check out the department website at www.wellesley.edu/Economics. In addition, you can send email to the department with news, comments, or questions at econmail@wellesley.edu.

*Sincerely,
Ann Velenchik, Chair*

The Wellesley College Cocktail Party at the American Economics Association meetings in San Diego, January 7, 2005, was well attended, with alumnae, former faculty, and current faculty sharing news, opinions and gossip about Wellesley and the wider world. Next year's meetings will be held in Boston, January 6-8, 2005.

The Carolyn Shaw Bell Award was created in January 1998 as part of the 25th Anniversary celebration of the founding of CSWEP. Carolyn Shaw Bell, the Katharine Coman Chair Professor Emerita of Wellesley College, was the first Chair of CSWEP. The Carolyn Shaw Bell Award ("Bell Award") is given annually to an individual who has furthered the status of women in the economics profession, through example, achievements, increasing our understanding of how women can advance in the economics profession, or mentoring of others. The 2004 Bell Award winner, announced by the Committee on the Status of Women in the Economics Profession, is Barbara R. Bergmann. Professor Bergman is Professor Emerita of Economics at American University and University of Maryland. She is a renowned scholar whose work has combined theory, quantitative modeling, and policy analysis on issues such

as unemployment, urban development, discrimination, poverty and women's status.

This year the Economics Department's Annual Senior Majors' Farewell and Awards Dinner was held on Tuesday, April 12, 2005 in McAfee Hall with 50 of our 72 majors in attendance. Award winners for 2005 were announced at the dinner.

2005 Economics Department Award Winners

The Peggy Howard Fellowship:

Amy Brown '03

Radha Chaurushiya '02

Natalie Bolton Faculty Prizes:

Best Thesis Presentation

Maeve Gearing '05

EeCheng Ong '05

Best 300 - level paper:

Marisol Trowbridge '05

Best 200 - level Paper:

Adrienne Hathaway '05

Diane Lee '06

Alena Tansey '04

Best Econometrics Paper:

Jamie Bernthal '05

Michelle Kim '05

Crystal Leveillee '05

Natalie Bolton Student Prize:

Maeve Gearing '05

Wall Street Journal Award:

Maeve Gearing '05

Joseph Lambie Prize in Economic History

Maeve Gearing '05

Beverly Picardo '05

Kathleen Stevens '05

Each year Wellesley elects a small number of graduating majors to Omicron Delta Epsilon (ODE), the International Economics Honor Society. The four students with the best academic records in economics are designated as chapter officers. This year's

electees were announced at the Senior Dinner.

2003-2004 Members of Omicron Delta Epsilon

Maeve Gearing, President
EeCheng Ong, Vice President
Marisol Trowbridge, Secretary
Elise Tosun, Treasurer
Jamie Bernthal
Juanjuan Shen Blout
Mairead Blue
Veronique Chau
Denise Chu
Caroline Dickerson
Jade Ha
Jung Mi Huh
Kimberly Jackson
Jessica S. Lee
Odelia Lee
Elsbeth Loughrey
Sahar Meghani
Nayoung Rim
Melissa Spencer

**2004-2005 ECONOMICS DEPARTMENT
FACULTY AND THEIR ACTIVITIES**

Karl E. "Chip" Case has had a busy productive year. He began working on the 8th edition of his book, *Principles of Economics*, written with Ray Fair at Yale; it used at more than 450 colleges and universities and has been translated into 6 languages, most recently Indonesian and Chinese. He currently serves as Associate Editor of the Journal of Economic Perspectives and as a member of the Board of Directors of the American Real Estate and Urban Economics Association. He published a new paper this Spring in *Advances in Macroeconomics* entitled "Comparing Wealth Effects: The Stock Market versus the Housing Market" co-authored with Robert Shiller and John Quigley. In addition to his teaching, Chip is a Visiting Scholar at the Federal Reserve Bank of Boston, and he serves on the boards

of directors of the Mortgage Guarantee Insurance Corporation (MGIC), Century Bank, and the Lincoln Institute of Land Policy. Once again Chip spent a good deal of time on the road giving over 30 talks at other schools, to real estate groups and to a number of Wellesley clubs. Chip's daughter Kristen is working on a PhD in English at the Graduate Center of the City University of New York and teaching at Brooklyn College; she is getting married in September. His wife Susie retired as the Director of College Counseling at Milton Academy two years ago and now does private counseling. Chip continues to be a huge fan of Wellesley College Athletics.

Courtney Coile returned to teaching this spring following a year and a half on maternity and sabbatical leave and was relieved to find that she had not entirely forgotten how to teach. It was a great semester to teach public economics, with Social Security and tax reform much in the news, and she enjoyed teaching econometrics as well. Given her past research on Social Security, she gave several lectures on the subject to Wellesley students and alumnae and was interviewed for a local cable news program. While on leave, Courtney worked on research projects on the effect of stock market fluctuations and inheritances on retirement behavior. She presented her findings at the Board of Governors of the Federal Reserve System, UCLA, the University of Virginia, and the University of Wisconsin. Two of her research papers have been published this year in the *B.E. Press Journals in Economic Analysis and Policy* and a University of Chicago Press volume; she has been invited to "revise and resubmit" two other papers to economic journals. In her free time, Courtney brushes up on her knowledge of Sesame Street and vehicles of all kinds, to keep up with her two-year-old son.

Eric Hilt's third year in Wellesley's economics department went pretty well. He taught finance (323), intermediate macro (202), and principles of macro (102), and

had a lot of terrific students. He enjoyed some successes with his research, which is focused on early American businesses, and had a paper accepted at the *Journal of Law and Economics*. He was also invited to present his work at several economics departments, including the University of Maryland and Northwestern University. Eric was also reappointed, and will be on sabbatical for the 2005-06 academic year at the National Bureau of Economic Research in Cambridge. As much as he enjoys teaching at Wellesley, Eric is *really* looking forward to his sabbatical.

Joe Joyce continues to teach (and enjoy) Principles of Macroeconomics, Financial Markets and International Macroeconomics. He also directs the College's Social Science Research Summer Program, funded in part by a grant from the National Science Foundation. He gave a presentation at the Eastern Economics Association conference, and recent papers have appeared in *Comparative Economic Studies* and the *Review of International Economics*. At home, Caroline (11) and Alison (8) make life interesting.

Kyle Kauffman continues to be busy inside the classroom and out, exploring his twin interests in Economic History and African Art. He is looking forward to his sabbatical in 2005-06, which he plans to spend in New York City and in Cape Town.

Phil Levine was on leave in the fall, but taught in the spring semester. He continued his research on the impact of abortion legalization and its effects on the composition of children born; this research was supported by a grant from the National Institute of Child Health and Human Development. He also received a new research grant (along with Diane Whitmore at the University of Chicago and a member of the Class of 1995) from the Department of Education to support work on the relationship between a child's health status and his/her educational performance. He started new research projects with

colleagues Courtney Coile (examining the relationship between unemployment insurance provisions and retirement behavior) and Melissa Kearney (examining the impact of family planning services on fertility). Phil also received two academic honors this year, being named a research affiliate of the National Poverty Center and a member of the National Academy of Social Insurance. In the spring, Phil taught his Social Policy class as well as a section of econometrics. He is looking forward to teaching Introductory Statistics for the first time next fall. Little League baseball occupies much of his free time as he is coaching both of his son's teams this spring. If he isn't in front of his computer, he's at the Little League field!

David Lindauer taught Econ 220, Development Economics, this past fall. The last time he taught Econ 220, PNE was closed for renovation and the class met in the Keohane Sports Center! While David was glad to return to the course, he finds the central question of economic development – why are some nations rich and others poor? – more puzzling than ever. David also returned as PNE Faculty Director, a position he last held in 2000-02. This was a busy year for the position with the presidential election generating a host of activities. Hundreds of Wellesley students, faculty and staff spent time in PNE to watch the debates in October and the returns on election night. Professionally, David was invited to become a co-author of a leading textbook in the field of development economics. He is responsible for numerous chapters, including those on education, income distribution and poverty, health and population, for the 6th edition of *Economics of Development* (Norton).

Patrick McEwan completed his third year at Wellesley College. He continues to teach courses on micro principles, Latin American development, and the economics of education. This year he taught a new 300-level seminar on applied econometrics and education policy. On the research front, his

article on a Chilean education reform was accepted by the *American Economic Review*. Much champagne was consumed, but he quickly resumed his empirical work on teacher accountability, class size reduction, school lunch programs, and ethnic test score inequalities in Latin America. He hopes to make a lot of progress during his junior sabbatical next year, which he will be spending at the World Bank in Washington, DC.

Julie Matthaei sends her greetings to everyone and welcomes emails, calls, and visits. She presented a paper at the 2004 Union for Radical Political Economics Summer Conference on teaching microeconomics from a critical perspective. She continues to love her teaching: introductory microeconomics (101), the political economy of gender, race, and class (243), and feminist economics (343). Julie reviewed "Towards a Feminist Philosophy of Economics" for *The Journal of Economic Literature* this spring. Her research with sociologist and activist Barbara Brandt (author of *Whole Life Economics*) on emergent alternative and more progressive economic values, ways of being and decision-making, and institutions and is progressing. Julie has incorporated the topic into her classes, especially Econ 243, and she and Barbara are close to having a first draft of a book on the topic, now called "The Transformative Moment: Creative Processes of Personal Healing and Social Transformation In the World Today." At the initiative of her former student Lisa Hook '04, Julie helped organize a forum on socially responsible investment in April. Julie's daughter, Ella, is now 13, and Julie welcomes any suggestions regarding parenting a teenager; who ever dared to claim that the unpaid work of parenting is without economic value?

Susan Skeath (van Mulbregt) is relieved to have handed over the reins of the Department to a new Chair this year. She spent the fall semester teaching "Games of Strategy" and working on a Digital Learning

and Teaching grant project aimed at introducing online games into future versions of that course. This spring she is on leave, working on an experimental economics project investigating the role of communication on belief formation in a public goods game, and spending more afternoons with her kids (Emily, 10, is now in 4th grade and Pierce, 8, is in 2nd).

Ann Velenchik became department chair last summer and returned to full-time work for the first time since her daughter was born in 2001. It's been quite an adjustment for all, but Ann is happy to report that teaching Intermediate Micro and Economic Development continue to prove exciting and challenging and give her the opportunity to meet a lot of our majors and see them grow from sophomores to seniors. This year she has also been Director of the International Relations program. Economics and IR combined make Ann "responsible" for nearly 150 members of this year's graduating class -- too bad those numbers don't translate into either power or money! Ann recently completed a chapter for a book entitled *Engaging Methods for Undergraduate Economics Courses: More Alternatives to Chalk and Talk*, which will be forthcoming from Edward Elgar this summer. Ann's kids, Nathaniel (8) and Becca (4) keep her busy with soccer and baseball and dance lessons.

Akila Weerapana is completing his 6th year at Wellesley (time flies when you are having fun!). He is happy to report that last summer's wedding went off without a hitch (if you ignore the fact that he forgot some of his vows) and that he and Kristin have finally been able to spend some time in the same city, thanks to Kristin's sabbatical this Spring from Penn Law. The current joke in our household is that we are sure the marriage can survive the time apart, but the real question is whether we can survive the time together. So far, so good. On the research front, Akila had two papers accepted for publication this year and just handed a revised third paper for publication.

On the teaching side, he still continues to have a blast teaching macro, international, monetary and mathematical economics to bright Wellesley women. He also enjoyed supervising the Economics Research Seminar this year, working with a half-dozen incredible students on their Honors Thesis. This summer's big event is the beginning of the tenure process; summer and "death do us part" decisions seem to be synonymous for him these days! Regardless, he is looking forward to welcoming two new colleagues into the Economics Department next year and getting to know more students amidst all the stress.

Ann Dryden Witte taught Law and Economics and Econometrics this year. In the law and economics course, Ann introduced new material on the changing face of US families and how law has impacted and been impacted by these changes. Ann expanded her coverage of modern time series econometrics (e.g. random walks, structural breaks) in the econometrics course. Ann has continued her work on social welfare policy and childcare under US Department of Health and Human Services grants. This year Ann and her colleagues developed a composite indicator for the quality of early care and education (ECE). The indicator is being used to track the impact of policy changes designed to improve the quality of ECE and to develop child care payment systems that reflect the quality of ECE provided. Ann continues to work on experiments in Florida, Illinois, Massachusetts and Washington to improve early care and education policy. She has further developed her seminars on personal finance. She provided seminars on personal investments to faculty from Bryn Mawr, Haverford and Swarthmore in May. Ann swims and does Tai Chi in her spare time. She reads a great deal of modern fiction. One of her recent favorites is Haruki Murakami's Wild Sheep Chase, a slightly surrealistic portrayal of modern Japan.

FACULTY EMERITI

Marshall Goldman While I miss the classroom (I don't miss the grading of papers and the preparation and grading of exams) not having to worry about class schedules I have been free to travel as I please. Thus I was able to participate in a small group meeting with President Vladimir Putin in his home outside of Moscow. This September meeting lasted three and a half hours and ended at midnight. I was also able to accept former Soviet President Mikhail Gorbachev's invitation to participate in two Italian conferences he organized in October and March. Finally there will be another meeting with Gorbachev in late May to mark the 20th anniversary of the first Reagan-Gorbachev summit meeting in Geneva, Switzerland.

To make up for the end of my classroom lecturing, I have been speaking to a host of Wellesley College and Harvard (where usually half the audience is from Wellesley) Alumni Clubs. That has taken me to places like Phoenix, Vero Beach, Hilton Head, Wilmington, Kansas City, the Boston North Shore and Asheville, North Carolina. In the process, I have discovered that while most alumnae hated *Mona Lisa Smile*, the movie has done great things for Wellesley. Not only has it led to a 20% increase in the number of applicants to the College but it has also helped spark a comparable jump in membership in at least some Wellesley alumni clubs.

But the year involved more than just travel. Among other pieces, I published an article in *Foreign Affairs* and another in *Current History*. On top of that, the Russian language edition of my book *The Piratization of Russia* was released in March and I went to Russia for the occasion. The challenge now is to make progress on my next project which is to be a look at what determines success or failure among foreigners who invest in Russia.

ALUMNAE NEWS

1985:

Ana Revenga is a Lead Economist on Human Development working in the World Bank's regional office in Bangkok.

1988:

Lynda Vargha: was recently tenured at Skidmore College.

1989:

Martha Goldberg Aronson is entering her third year in Switzerland, working at the European Headquarters for Medtronic. She is responsible for five businesses worth approximately \$400 Million in revenue.

1991:

Michelle Caruso-Cabrera is a business reporter for NBC/MSNBC. She spent January in Iraq reporting on the elections and prepared a three part business series which aired on CNBC in March.

1992:

Sara Gunter graduated from Wharton and the Lauder Institute at the University of Pennsylvania. She has moved to Seattle, where she is product manager of Amazon's Canadian site.

1997:

Emily Blanchard has successfully defended her dissertation at the University of Wisconsin-Madison and has joined the faculty at the University of Virginia as an assistant professor in Economics.

1998:

SuLin Ong graduated from Harvard Business School last June, and now works for AES Corp (a power company) in Washington, DC, doing business development.

1999:

Lisa Schroeer will receive her master's degree in public policy from UC – Berkeley this spring.

2000:

Theresa Lund will receive her master's degree in International Education Policy from the Harvard Graduate School of Education.

Julie Suh is in the third year of the Ph.D. program in Accounting at Stanford's Graduate School of Business.

2001:

Christina Boutin is working with the Competition Practice Group at Charles River Associates in Boston. Last year she made a presentation at the Tanner Conference reporting on her four month internship with the US mission to the WTO in Geneva.

Jamie Lien (UC-San Diego) and **Shing-Yi Wang** (Yale) are in the second year of their Ph.D. programs.

Olga Shurchkov is wrapping up her third year in the Ph.D. program in Economics at MIT and is starting to work on her dissertation.

Wallis Wilkinson has moved to Goldman Sachs Principal Strategies group, which is responsible for investing the firm's own capital.

2002:

Bo Ananchotikul is finishing her third year in the Ph.D. program in Economics at Berkeley and starting to work on her dissertation.

Lili Blue will graduate from law school at UC Berkeley this spring.

Radha Chaurushiya has just completed her stint at the Center for American Progress and will be starting the MBA program at the University of Chicago.

Susan Chou and **Erika Ibanez** are working with NERA in White Plains, NY.

Jimin Chung started in the fall of 2004 at the Harris School of Public Policy at the University of Chicago.

Jennifer Gregory is enrolled in the public policy program at the Harris School of the University of Chicago.

Christine Jaw is working at the Boston Fed.

Mae Podesta has spent the year in South Africa and Lesotho. She is a Project Coordinator for the Clinton Foundation working on HIV/AIDS initiatives.

Lavanya Ravichandran is working for Goldman Sachs in New York City

Hilary Stevens returned from two years as a Peace Corps volunteer in Burkina Faso. She made a presentation at this year's Tanner Conference about her experience. Hilary is back in California and is planning to apply to medical school.

Ding Wu is wrapping up her third year in the Ph.D. program in Economics at MIT and is starting to work on her dissertation.

2003:

Melanie Chang is working for JP Morgan in San Francisco.

Sara Graziano is working at Charles River Associates in Boston.

Jessica LeRoy completed 2 years at Lazard and will join the MBA program at Harvard Business School this fall.

Elaine Liu is in the second year of her Ph.D. program at Princeton.

Sophie Park and **Andrea Bell** are working for NERA in Washington, DC.

Hanna Rhee is currently working as a senior researcher and a programme manager at the Economic Policy Research Institute in Cape Town, South Africa.

Leah Solk is completing her 2 year stint at the Board of Governors and will enter the Architecture program at the Harvard School of Design this fall where she will join **Wileen Kao** who is in the Landscape Architecture program.

Annie Rosen works at Fidelity in Boston.

Kavita Sridhar just completed two years at Industrial Economics and will enter the MPP program at the Kennedy School at Harvard this fall.

Laurie Stempler works at Simon and Schuster.

Candice West is working at Goldman Sachs in New York City.

Karen Wu works at UBS in NYC.

Sun Yoo is enrolled in the master's degree program in visual arts administration at NYU.

2004:

Kathryn Bradley and **Yin Zhou** are working at Charles River Associates in Boston

Ellen Boukus is at the New York Fed.

Vivian Kao and **Lili Yu** are working at Goldman Sachs in New York City.

Meg Kinsey is working for Kaiser in San Francisco.

Chai Lee is working for JP Morgan in San Francisco.

Lila Lee is completing her first year of law school at Northeastern University.

Heather Long finished the first year of her Rhodes Scholarship. Next year she will be at the Said Business School at Oxford pursuing a Masters in Financial Economics. This summer Heather will work as an Intern at *The Guardian* newspaper in London.

Payal Patel works at Constantine and Partners in NYC.

Risa Picazo works for Bates White in Washington, DC.

Ricki Sears is working at the Boston Fed

Kristen Soderberg is completing her first year at Analysis Group.

Christina Steiner is working with Teach for America. She is a 4th grade teacher in room 7F in Russell Elementary School in Brownsville, Texas, a community close to the Mexican border.

Kristin Wong works at Bates White in Washington, DC.

2005:

Juanjuan Blout is working at Charles River Associates in Boston.