

Department of Economics

The MIT [Department of Economics](#) is widely regarded as one of the world's premier institutions for economics research and education.

The department's faculty members balance substantial commitments to training undergraduates and doctoral students with active and influential research programs. With one of the youngest senior faculties among its peer institutions, the Economics Department plays a central role as an innovator in economics research and a source of exciting new directions in undergraduate and graduate economics education.

Highlights of the Year

In the past few years, the department's faculty size had declined as we lost faculty to outside offers (including two who moved to Stanford University and one to the University of Chicago), faced some retirements, and had limited success in both junior and senior recruiting. In academic year 2016, the department reversed this trend, recruiting Drew Fudenberg (PhD '81), formerly the Frederick E. Abbe Professor at Harvard University's Department of Economics; Alberto Abadie (PhD '99), formerly professor of public policy at the Harvard Kennedy School of Government; and Isaiah Andrews (PhD '14), formerly a junior fellow at the Harvard Society of Fellows. They will join the faculty on July 1, 2016. The department also hired two new assistant professors, who will start at MIT in July of 2017.

The department was also delighted to return to its long-time home in MIT Building E52, now completely renovated and renamed the Morris and Sophie Chang Building. The spacious, light-filled, community-building workspace in which Economics now resides is a fertile and vibrant environment for groundbreaking research and teaching. The new space is also an excellent recruiting tool in the department's efforts to attract the best and brightest faculty and graduate students.

Many members of the Economics faculty received academic recognition. Several gained membership in prestigious academic societies, including James Poterba's induction to the National Academy of Sciences, Victor Chernozhukov's induction to the American Academy of Arts and Sciences, Esther Duflo's induction to the American Academy of Political and Social Science, and Marios Angeletos's election as a fellow of the Econometric Society. Younger faculty won a number of prestigious grants, including Heidi Williams' receipt of a MacArthur Foundation Fellowship and Alp Simsek and Alexander Wolitzky's receipt of National Science Foundation CAREER Awards. New leadership posts for faculty members included Daron Acemoglu's election as a vice president of the American Economic Association (AEA) and David Autor's election to the AEA's Executive Committee. Esther Duflo (PhD '99) was appointed professor *honoris causa* at HEC Paris and Daron Acemoglu received an honorary doctorate from the University of Bilkent.

Future Plans

The department is delighted to have on its faculty a number of outstanding young leaders whose innovative research is widely acclaimed. Many of these faculty members first came to MIT as assistant professors and have grown here into remarkably influential scholars. Economics has also done well recently with some lateral junior hires. The intellectual future of the department is bright because of this new generation. However, the department has not done as well in attracting junior faculty to MIT in the past three years as it had in earlier years. Accordingly, the department plans on both continuing to try to hire the very best junior faculty and to pursuing senior hires as opportunities arise.

Generous donors continue to provide outstanding support for Economics, especially in graduate student support and the renovation of Building E52. The department plans to continue the development effort.

Economics is also pursuing several educational initiatives. These are intended both to boost the department's undergraduate enrollment despite a challenging environment, and to expand the population it serves through MIT's edX platform.

Undergraduate Education

The Economics Department experienced a collapse in declared majors with the class of 2018. We think that the drop is primarily because of forces outside our control, since it coincided with the adoption of new freshman admissions scoring criteria emphasizing a passion for science, technology, engineering, and mathematics subjects; similar declines were simultaneously experienced by all other social science departments. The Economics Department is nonetheless pursuing a set of initiatives to attract more students to major in economics and to reorient the program toward the non-majors who are still plentiful.

One initiative is a new major in mathematical economics, which has been approved to be offered beginning in fall 2016. It is designed to serve those students who would like deeper and broader training in mathematics. This can dovetail with many parts of economics. On the applied side, it will give students the opportunity to develop further the big-data skills that are increasingly in demand. On the theory side, it will allow students more opportunity to explore the parts of the field where economic theory and pure mathematics have much in common.

Two subjects that form part of these new initiatives debuted in academic year 2016. Sara F. Ellison and Esther Duflo launched 14.31/14.310 Data Analysis for Social Sciences. This highly ambitious class provides students (in a single semester) with a mathematically rigorous introduction to statistics and a practical understanding of a number of techniques that are commonly used in the social sciences. There was substantial demand for such a class among MIT students who would like to learn these techniques but do not have enough time in their busy schedules for the department's 14.30 Introduction to Statistical Methods in Economics/14.32 Econometrics sequence. The lectures for the class were also videotaped and development of the edX version of 14.310x is nearly complete; the subject debut on edX is planned for September 2016.

The department's second launch was an eight-lecture Independent Activities Period class offered by Alp Simsek on the economics of the financial crisis. This was the first time that the Economics Department has offered such a subject and faculty members were delighted to see that it attracted a large following from both nonregistered and registered students, who gave the class very high ratings. The subject gives nonmajors the opportunity to experience material that would normally be seen only in an upper-level elective at a time when schedules are less crowded. The department hopes it will inspire some students to major in Economics.

The department is in the process of introducing several other classes, including 14.18 Mathematical Economic Modeling, which has been approved and will debut in the fall of 2016. It introduces students to the process of writing research papers in economic theory and will be a communication intensive subject in the major option and capstone experience for the mathematical economics major. Also debuting in the fall of 2016 will be the first communication intensive subject in the humanities, arts, and social sciences (CI-H) subject to be offered by a regular member of the Economics faculty: a redesigned version of 14.73 World Poverty. It is hoped that the CI-H designation will help to expose more freshmen to economics at a point before they have chosen a major. Economics will also be offering classes in behavioral economics, the economics of crime, and advanced macroeconomics for the first time in many years (or ever, in the case of the economics of crime). The first two are expected to be very popular with non-majors, and the macroeconomics class provides an additional option for majors who want a highly rigorous program. The department has also put a great deal of effort into staffing the 14.01 Principles of Microeconomics and 14.02 Principles of Macroeconomics subjects with faculty and graduate students who are expected to be compelling teachers. Ratings for the classes have improved, but it is too early to know if they will induce more students to switch into Economics.

The Department of Economics remains very involved with MIT's online learning initiatives. This September the department will offer four classes: 14.73x is an introduction to development economics, 14.100x is an introduction to microeconomics (derived from 14.01), 14.310x is the data analysis class mentioned above, and 14.740x is an advanced development offering. These classes constitute the department's proposed MicroMaster's program in development policy and will also form the online component that is the entry path for the blended Master's degree in data, economics, and development policy if that program is approved.

The MIT Undergraduate Economics Association (UEA) continued to be fertile ground for rounding out the economics education of the department's undergraduate students. The UEA sponsored a public lecture on May 5 by Farhan Zaidi, an SB alumnus who is currently the general manager of the Los Angeles Dodgers. He spoke about big-data methods and their application to professional sports. The lecture was extremely well attended, attracting many undergraduate majors, faculty members, and graduate students, as well as others from the MIT community.

The Undergraduate Economics Association presented its faculty and graduate student teaching awards to Alp Simsek, the Rudi Dornbusch Career Development Associate

Professor of Economics, and Benjamin Marx (PhD '18). This year, Penghui Zhou (SB '16) received first place for his article in the *UEA Journal*. Jiacheng Feng (SB '16) and Anthony Yu (SB '16) received second and third place, respectively.

Graduate Education

The department has just completed another year of excellent placements of graduate students. The most recently graduated group of the department's PhD students is currently joining the faculty at Yale University, Harvard University, the University of Chicago, Princeton University, and Northwestern University, among many others— including nongovernmental organizations, marquee internet firms, and private sector finance and consulting organizations. One student, Rodrigo Adao, was selected this spring to participate in the *Review of Economic Studies* tour, which honors the top seven US job market candidates each year with a European speaking tour. Rodrigo joins many successful MIT predecessors who have taken the *Review of Economic Studies* tour, including two each in 2015 and 2014, one in 2013, and three each in 2012 and 2011.

The Economics faculty is delighted with the students entering the PhD program in the fall of 2016. The department received 711 applications; 36 applicants were offered admission and 24 accepted and enrolled. The group of newly enrolled students includes six women and 12 international students.

Several faculty members and students were recognized during the past year for their outstanding service to the Economics Department and MIT. Heidi Williams won the Graduate Economic Association's Award for Best Professor and was also honored as outstanding dissertation advisor. Graduate student Ludwig Straub (G '17), was honored as the most outstanding teaching assistant by the Graduate Economic Association. The Robert Solow Prize for Excellence in Teaching and Research was awarded to Matthew Rognlie (G '16).

Lectures

During the fall semester, the department hosted Jean Tirole (PhD '81), annual visiting professor and chairman of the Toulouse School of Economics, who delivered a department-wide lecture, "From Bottom of the Barrel to Cream of the Crop: Sequential Screening with Positive Selection." Penelopi Goldberg, the William K. Lanman, Jr., Professor of Economics at Yale University, delivered the spring departmental lecture, "Price Rigidities and Incomplete Cost Pass-through: A Microeconomic Perspective."

Research and Service

Faculty members carried out research on a broad array of frontier topics in economics (illustrated below with a selection of recent academic publications). This research has attracted attention within the academic sphere and, in many cases, in the national and international press as well.

MIT faculty members continued to provide leadership and service to the economics profession. Jim Poterba continued as president of the Eastern Economic Association and president and chief executive officer of the National Bureau of Economic Research

(NBER). Daron Acemoglu was elected vice president of the American Economic Association. David Autor and Amy Finkelstein served as members of the Executive Committee of the AEA. Esther Duflo was director of the Development Program at the Center for Economic Policy Research (CEPR). Jon Gruber was president-elect of the American Society of Health Economists. Bengt Holmstrom continued to serve on the executive committee for CEPR. Whitney Newey and Rob Townsend were members of the North America Council of the Econometric Society. Benjamin Olken served on the board of the Bureau for Research and Economic Analysis of Development. Juuso Toikka served on the program committee for the North American summer meetings of the Econometric Society. Rob Townsend was elected first vice-president of the Society for the Advancement of Economic Theory. Michael Whinston served as co-director of the Center for the Study of Industrial Organization at Northwestern University.

Daron Acemoglu served as editor-in-chief of *Econometrica*. Ben Olken served on the Board of Reviewing Editors of *Science*. Victor Chernozhukov and Anna Mikusheva served as co-editors for *Economic Theory*; Victor also served as co-editor for *Econometric Theory*. Arnaud Costinot served as foreign editor for the *Review of Economic Studies*. Esther Duflo continued her success as founding editor of the *American Economic Journal: Applied Economics* and has been appointed editor-in-chief of the *American Economic Review* beginning in 2017. Michael Whinston served on the Board of Editors for the *American Economic Journals: Microeconomics*. Other faculty served on various other editorial boards.

David Autor served as director of the NBER Disability Research Center, funded by the Social Security Administration. Amy Finkelstein was co-director of the Public Economics Program at NBER. Robert Gibbons continued as the founding director of the Working Group on Organizational Economics at NBER. Jon Gruber served as director of NBER's program on health care. Parag Pathak continued as the founding co-director of the market design working group at NBER.

Other faculty members continued the department's tradition of broader public service. Daron Acemoglu served as chair of the Nominating Committee of the American Academy of Arts and Sciences. Esther Duflo served as a member of the US Agency for International Development's Global Development Council. Amy Finkelstein served as a member of the Congressional Budget Office's panel of health advisers. Jon Gruber served on the board of directors of the Health Care Cost Institute. Parag Pathak served as a member of the scientific board at the Institute for Innovation in Public School Choice. Jim Poterba served as trustee for the College Retirement Equities Fund (CREF) and the TIAA-CREF mutual funds. Nancy Rose continues to serve as a deputy assistant attorney general for economic analysis in the US Department of Justice, Antitrust Division.

The Abdul Latif Jameel Poverty Action Laboratory (J-PAL), directed by Ford International Professor Abhijit Banerjee, Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics Esther Duflo, and Professor Benjamin Olken, continues to expand the scope and influence of its research. Thanks to generous funding from MIT's Office of Digital Learning, J-PAL and the Economics Department are developing an online MicroMaster's program on the practice of experimentation

in development economics. Combining current classes in microeconomics and development economics with new classes in field experimentation, data collection, and data analysis, this new, comprehensive program will launch in the fall of 2016. The class is being led by Professor Esther Duflo, J-PAL executive director Rachel Glennerster, and postdoctoral associate Anna Schrimpf.

In addition, new grants are allowing J-PAL to increase its efforts to improve research transparency and reproducibility in the field of experimental economics. This builds on J-PAL's joint work with the American Economic Association in the development, promotion, and management of the AEA Experimental Registry, which currently has 352 registered projects.

To date, J-PAL's 136 affiliated research faculty from universities around the world are leading or have completed more than 775 randomized evaluations in 69 countries to find the most effective approaches to critical development issues. These critical issues include how to help people leave extreme poverty, reduce the spread of AIDS, increase student attendance, reduce industrial pollution, and decrease corruption in government projects.

J-PAL North America was established three years ago within the Economics Department, under the direction of John and Jennie S. MacDonald Professor of Economics Amy Finkelstein and Harvard's Elisabeth Allison Professor of Economics Lawrence Katz. J-PAL North America works to improve the effectiveness of social programs in the region through three core activities: research, policy outreach, and capacity building. The office supports researchers conducting randomized evaluations, helps decision makers use research evidence in policy decisions and program design, and provides training classes on impact evaluation. Since its launch three years ago, J-PAL North America has experienced significant growth in staff and activities. It recently launched its new State and Local Innovation Initiative, which partners with and funds selected government agencies seeking to implement randomized evaluations that build evidence and capacity to address pressing policy issues. J-PAL North America also recently launched its first Health Care Delivery Innovation Competition, which likewise awards selected health agencies and organizations with funding, technical assistance, and connections to affiliated researchers in order to implement high-quality randomized evaluations.

Under the direction of Professors Joshua Angrist, David Autor, and Parag Pathak, the School Effectiveness and Inequality Initiative (SEII) continues to shift the education policy debate from guesswork and ideology to scientific insights. Using pioneering experimental and econometric research methods, SEII's rigorous research sheds light on topics ranging from school quality to affirmative action to financial aid. Over the course of the year, 11 leading scholars and more than 15 graduate students and research assistants worked with policymakers and practitioners to further the collective understanding of fundamental issues in education and inequality. As a core member of the newly launched MIT Integrated Learning Initiative, SEII continues to broaden its impact on education.

Personnel

The department promoted Heidi Williams to the rank of associate professor with tenure. Alberto Abadie will join the Economics Department in the autumn of 2016, as will Drew Fudenberg and Isaiah Andrews. John Van Reenen, formerly a professor at the London School of Economics and Political Science, will begin a joint appointment with MIT Economics and the Sloan School of Management. Martin Beraja, who received his PhD from the University of Chicago in June 2016, will join the department after a postdoctoral year at Princeton University, and Simon Jäger, who received his PhD from Harvard University in June 2016, will join the department after a postdoctoral year at Bonn University.

Jerry Hausman, John and Jeannie S. MacDonald Professor, is retiring from teaching in the Economics Department in the fall of 2016 and will become a professor, post-tenure. Hausman has been an outstanding researcher, educator, and member of the department and the Institute.

There were 39 non-visiting Economics faculty members in academic year 2016. This number will increase to 41 for academic year 2017, reflecting the hiring of Assistant Professor Isaiah Andrews, Professors Alberto Abadie and Drew Fudenberg, and the departure of one faculty member.

Nine faculty members and two postdoctoral associates visited the MIT Economics Department for all or part of AY2016. The department's annual visitors continued to participate in central ways in our educational programs. Visiting Professor Jean Tirole (PhD '82) was a guest lecturer for 14.271 Industrial Organization I and 14.272 Industrial Organization II, and taught an advanced seminar in economics.

A number of other visitors played important roles in the department's educational program. Visiting Associate Professor Claudio Ferraz from the Pontifical Catholic University of Rio de Janeiro, Brazil, taught 14.33 Research and Communication in Economics: Topics, Methods and Implementation, and half of 14.773 Political Economy: Institutions and Development. Visiting Lecturer Sari Kerr from Wellesley College taught 14.03 Microeconomic Theory and Public Policy, and Visiting Assistant Professor Matthew Masten from Duke University taught half of 14.381 Statistical Method in Economics. Visiting Associate Professor Emi Nakimura from the Columbia University Business School taught half of 14.462 Advanced Macroeconomics II, and half of 14.582 International Economics II. Visiting Assistant Professor Demian Pouzo from the University of California, Berkeley, taught 14.32 Econometric Data Science and half of 14.386, New Econometrics Methods. Visiting Assistant Professor Johannes Spinnewjn from the London School of Economics and Political Science taught half of 14.472 Public Economics II. Gaston Illanes, a postdoctoral research associate (PhD '16) taught the undergraduate subject 14.20 Industrial Organization and Competitive Strategy, and Jeremy West, a postdoctoral research associate who came to MIT via Texas A&M University, taught 14.42 Environmental Policy and Economics.

The Economics Department also had several visitors who came to conduct research and to work with economics faculty members at MIT. These visitors included David William

Berger, the Spring 2016 Hal Varian Visiting Assistant Professor, from Northwestern University; and Jau-er Chen, an assistant professor at National Taiwan University, who came as part of the Taiwan–US Sister Relations Alliance. Atif Mian, the Theodore A. Wells '29 Professor of Economics and Public Affairs at Princeton University; Benjamin Moll, the Fall 2015 Hal Varian Visiting Assistant Professor at Princeton University; and Ohto Kanninen, the Yrjö Jahnsson Postdoctoral Fellow and senior researcher at the Labour Institute for Economic Research, Helsinki, Finland, also came as visitors to MIT. Other visitors included Juan Ortner, an assistant professor at Boston University; Martin Spindler, a professor of statistics at the University of Hamburg, Germany; and Zhibo Tan from the School of Economics at Fudan University, Shanghai, China.

Six women were on the MIT Economics faculty for AY2016: four tenured faculty members (Esther Duflo, Amy Finkelstein, Anna Mikusheva, and Nancy L. Rose), one assistant professor (Heidi Williams), and one senior lecturer (Sara F. Ellison). The proportion of MIT economics faculty who are women is greater than that at any other leading economics department. Isaiah Andrews, who joined the faculty on July 1, 2016, is an African American. All search committees are instructed to identify outstanding women and minority candidates as part of the search process.

As part of the regular recruitment process for junior faculty, the department solicited or received 342 curriculum vitae. Thirty-six candidates were selected for interviews, and 11 candidates were invited to the department to present seminars. We made offers this year to PhD candidates Shengwu Li from Stanford University, Martin Beraja from the University of Chicago, and Simon Jäger from Harvard University. Martin Beraja and Simon Jäger accepted our offers and will join the Economics faculty as assistant professors in fall 2017.

Honors and Awards

Elizabeth and James Killian Professor Daron Acemoglu received an honorary doctorate from the University of Bilkent.

Assistant Professor Nikhil Agarwal presented “An Empirical Model of the Medical Match” at the Department of Justice in Washington, DC. He also presented seminars at the University of Maryland, the University of Pennsylvania, the Allied Social Science Associations meetings in San Francisco, CA, and Pontificia Universidad Catolica de Chile in Santiago, Chile.

Professor Marios Angeletos was elected a fellow of the Econometric Society for his highly regarded contributions to economics.

Ford Professor Joshua Angrist gave the 2016 Bogen Lecture at Hebrew University in Jerusalem.

Assistant Professor David Atkin received the Excellence Award in Global Economic Affairs 2016 (Porsche Fellowship). He was appointed a research fellow at CEPR and a fellow at the Bureau for Research and Economic Analysis of Development.

Professor David Autor was elected a member of the Executive Committee of the American Economic Association. He gave the McMyler Lecture at Case Western University and the Development Economics Lecture at the World Bank. He was the keynote speaker at the ZEW (Zentrum für Europäische Wirtschaftsforschung) conference at Mannheim University, Germany, and delivered a lecture, “Frontiers in the Economics of Organizations and Markets: Theory, Applications and Methods,” at the University of Toronto. He was also an invited speaker at the Nobel Week Dialogue in Gothenburg, Sweden. In addition, MIT’s Technology and Policy Program class of 2016 voted him the Best Professor of 2016.

Ford International Professor Ricardo Caballero gave the Dunaway Lecture at Michigan State University.

Professor Victor Chernozhukov was elected to the American Academy of Arts and Sciences.

Abdul Latif Jameel Professor of Poverty Alleviation and Development Economics Esther Duflo received the A.SK Social Science Award from the WZB Berlin Social Science Center. She was also elected a 2016 fellow of the American Academy of Political and Social Sciences. She gave the Nomura Lecture at the University of Oxford and became professor *honoris causa* at HEC Paris.

Senior Lecturer Sara Ellison presented “Match Quality, Search, and the Internet Market for Used Books” at the Searle Conference at Northwestern University. She also presented seminars at Purdue University, Tufts University, Dartmouth College, Yale University, Cornell University, and the NBER Conference in Cambridge, MA.

Ford Professor Amy Finkelstein was the 2016 George Tolley Fellow at the Becker Friedman Institute. She was also the Mark and Sheila Wolfson Distinguished Visitor at the Stanford Institute for Economic Policy Research.

Professor Jeff Harris served on the scientific committee of the Workshop on Human Capital in Latin America: Education and Health at the Research Institute for Development, Growth and Economics. He was an invited presenter at Salud Universal: Una Inversión Indispensable para el Desarrollo Humano Sostenible for the Pan American Health Organization in Washington, DC, and the keynote speaker at the Jornada Sobre los 10 años de la Firma del Convenio Marco de la OMS para el Control de Tabaco meeting in Montevideo, Uruguay.

Professor Jerry Hausman was the keynote speaker at the 22nd Panel Data conference in Fremantle, Australia. He also gave the Bateman Lecture at the University of Western Australia.

Paul A. Samuelson Professor Bengt Holmstrom received the Louis and Goran Ehrnrooth Honorary Prize in Helsinki. He was the keynote speaker on the occasion of the launch of the European Corporate Governance Institute in Brussels, Belgium, and at the Finance, Organization, and Markets meeting at the University of Chicago; he was

also an International Monetary Fund lecturer in Washington, DC. He was a 2016 CES distinguished fellow at the CESifo Group in Munich.

Silverman (1968) Family Career Development Associate Professor Mihai Manea gave the plenary talk at the Coalition Theory Network Workshop in Moscow, Russia.

Jane Berkowitz Carlton and Dennis William Carlton Professor of Microeconomics Whitney Newey spoke at the Nanqiang Seminar at Xiamen University in Xiamen, China.

Professor Benjamin Olken gave the keynote address at the Latin American and Caribbean Economic Association 2015 conference. He also became a guest investigator for the Woods Hole Oceanographic Institution.

Professor Parag Pathak gave the Frank Knight Memorial Lecture at Cornell University.

Mitsui Professor of Economics Jim Poterba was inducted to the National Academy of Sciences, one of the highest honors given to scientists and engineers. He also gave the Cornelson Family Lecture at Davidson College, Davidson, NC.

Charles P. Kindleberger Professor of Applied Economics Nancy L. Rose gave the Bernard I. Fain Lecture at Brown University.

Assistant Professor Frank Schilbach became a faculty research fellow at NBER.

Rudi Dornbusch Career Development Associate Professor Alp Simsek was voted Best Undergraduate Teacher of 2015–2016 by the MIT Undergraduate Economics Association. He also made presentations at the Eighth Bank of Portugal Conference on Monetary Economics in Lisbon, Portugal; at the NBER Summer Institute Monetary Economics Workshop in Cambridge, MA; at the Bank of England in London, UK; at the New York University Stern School of Business; and at the 12th Annual Conference on General Equilibrium and Its Applications at Yale University.

Gary Loveman Career Development Associate Professor Juuso Toikka was invited to serve as an associate editor of the *Journal of Economic Theory*.

Elizabeth and James Killian Professor Robert M. Townsend was named first vice president of the Society for the Advancement of Economic Theory. He also gave the Gideon Fishelson Lecture at the Eitan Berglas School of Economics, Tel Aviv University, Israel, and the Sir John Hicks Lecture for the Society for the Advancement of Economic Theory in Cambridge, UK.

Class of 1957 Career Development Assistant Professor Heidi Williams received a MacArthur Foundation Fellowship for her pioneering work in innovation and health economics. She also received the Arrow Award for Best Paper in Health Economics from the International Health Economics Association. The MIT Graduate Economics Association voted her Best Graduate Teacher and Best Adviser in 2015–2016.

Pentti J. K. Kouri Career Development Associate Professor of Economics Alexander Wolitzky received a National Science Foundation CAREER Award for “Dynamic Games and Institutions.” He also received an Excellence in Refereeing Award from the *American Economic Review*.

Research Achievements

The following selection of publications during the academic year illustrates the scope of the department’s research activities.

Daron Acemoglu and David Autor published “Import Competition and the Great US Employment Sag of the 2000s” (with D. Dorn, G. Hanson, and B. Price) in the *Journal of Labor Economics*. With Victor Chernozhukov and Muhamet Yildiz, Professor Acemoglu published “Fragility of Asymptotic Agreement under Bayesian Learning” in *Theoretical Economics*. He also published “State Capacity and Economic Development: A Network Approach” (with C. Garcia-Jimeno and J. A. Robinson) in the *American Economic Review*; “Offshoring and Directed Technical Change” (with G. Gancia and F. Zilibotti) in the *American Economic Journal: Macroeconomics*; “Transition to Clean Technology” (with U. Akcigit, W. Kerr, and D. Hanley) in the *Journal of Political Economy*; “Political Economy in a Changing World” (with G. Egorov and K. Sonin) in the *Journal of Political Economy*; and “Robust Comparative Statics in Large Dynamic Economies” (with M. Kaae Jensen) in the *Journal of Political Economy*. He has several forthcoming papers: “Social Norms and the Enforcement of Laws” (with M. O. Jackson), to be published in the *Journal of the European Economic Association*; “Asymmetric Growth and Institutions in an Interdependent World” (with J. Robinson and T. Verdier), to appear in the *Journal of Political Economy*; “The Value of Connections in Turbulent Times: Evidence from the United States” (with S. Johnson, A. Kermani, J. Kwak, and T. Mitton), to be published in the *Journal of Financial Economics*; and “Networks and the Macroeconomy: An Empirical Exploration” (with U. Akcigit and W. Kerr), to appear in the *NBER Macroeconomics Annual*.

Nikhil Agarwal’s article, “An Empirical Model of the Medical Match,” was the lead article in the July 2015 *American Economic Review*.

George-Marios Angeletos published “Real Rigidity, Nominal Rigidity, and the Social Value of Information” (with L. Iovino and J. La’O) in the *American Economic Review*. His paper, “Incomplete Information in Macroeconomics: Accommodating Frictions in Coordination” (with C. Lian) is forthcoming in the *Handbook of Macroeconomics*.

Josh Angrist and Parag Pathak published “Charters Without Lotteries: Testing Takeovers in New Orleans and Boston” (with P. Hull) in the *American Economics Review*; “Stand and Deliver: Effects of Boston’s Charter High Schools on College Preparation, Entry, and Choice” (with S. Cohodes, S. Dynarski, and C. Walters) in the *Journal of Labor Economics*; and “Interpreting Tests of School VAM Validity” (with P. Hull and C. Walters) in the *American Economic Review: Papers and Proceedings*. Angrist also published “Wanna Get Away? Regression Discontinuity Estimation of Exam School Effects Away from the Cutoff” (with M. Rokkanen) in the *Journal of the American Statistical Association* and had a joint paper with David Autor, “Evaluating Econometric Evaluations of Post-Secondary Aid” (with S. Hudson, and A. Pallais) in the *American Economic Review: Papers and Proceedings*.

David Atkin published “The Caloric Costs of Culture: Evidence from Indian Migrants” in the *American Economic Review*.

David H. Autor published “The Contribution to the Minimum Wage to US Wage Inequality over Three Decades: A Reassessment” (with A. Manning and C. L. Smith) in the *American Economic Journal: Applied Economics*; “Why Are There Still So Many Jobs? The History and Future of Workplace Automation” in the *Journal of Economic Perspectives*; and “Untangling Trade and Technology: Evidence from Local Labour Markets” (with D. Dorn and G. Hanson) in the *Economic Journal*. He also has several forthcoming papers: “The China Shock: Learning from Labor Market Adjustment to Large Changes in Trade” (with D. Dorn and G. Hanson) in the *Annual Review of Economics*; “The Impact of Disability Benefits on Labor Supply: Evidence from the VA’s Disability Compensation Program” (with M. Duggan, K. Greenberg, and D. S. Lyle) in the *American Economic Journal: Applied Economics*; “The Effect of Work First Job Placements on the Distribution of Earnings: An Instrumental Variable Quantile Regression Approach” (with S. N. Houseman and S. Pekkala Kerr) in the *Journal of Labor Economics*; and “School Quality and the Gender Gap in Educational Achievement” (with D. N. Figlio, K. Karbownik, J. Roth, and M. Wasserman) in *American Economic Review: Papers and Proceedings*. He also published “The Paradox of Abundance: Automation Anxiety Returns” in *Performance and Progress: Essays on Capitalism, Business, and Society* (edited by R. Subramanian) through Oxford University Press; “The Unsustainable Rise of the Disability Rolls in the United States: Causes, Consequences, and Policy Options” in *Social Policies in an Age of Austerity: A Comparative Analysis of the US and Korea* (edited by J. K. Scholz, H. Moon, and S. Lee) through Edward Elgar Publishing; and “Polanyi’s Paradox and the Shape of Employment Growth,” in *Economic Policy Symposium Proceedings: Reevaluating Labor Market Dynamics*, published by the Federal Reserve Bank of Kansas City.

Ricardo Caballero published “Safe Asset Scarcity and Aggregate Demand” (with E. Farhi and P. Gourinchas) in *American Economic Review: Papers and Proceedings*.

Victor Chernozhukov published “Post-Selection and Post-Regularization Inference in Large Linear Models with Many Controls and Instruments” (with C. Hansen and M. Spindler) in *American Economic Review: Papers and Proceedings*; “Post-Selection and Post-Regularization Inference: An Elementary, General Approach” (with C. Hansen and M. Spindler) in the *Annual Review of Economics*; and “Vector Quantile Regression” (with G. Carlier and A. Galichon) in the *Annals of Statistics*. He has several forthcoming papers: “Program Evaluation with High-Dimensional Data” (with A. Belloni, C. Hansen, and I. Fernández-Val) in *Econometrica*; “A Lava Attack on the Recovery of Sums of Sparse and Dense Signals” (with C. Hansen and Y. Liao) in the *Annals of Statistics*; “Central Limit Theorems and Bootstrap in High Dimensions” (with D. Chetverikov and K. Kato) in the *Annals of Probability*; and “Empirical and Gaussian Bootstraps for Suprema of Empirical Processes of Increasing Complexity, and Related Gaussian Couplings” (with D. Chetverikov and K. Kato) in a special issue, In Memoriam: Evarest Giné, of *Stochastic Processes and Their Applications*. Three other papers have been accepted: “Honest Confidence Regions for High-Dimensional Sparse Generalized Linear Models” (with A. Belloni and W. Ying) by the *Journal of Business and Economic Statistics*; “Inference on Treatment Effects with High-Dimensional Panel Data, with an Application to Gun

Control" (with D. Kozbur and C. Hansen) by the *Journal of Business and Economic Statistics*; and "Monge-Kantorovich Depth, Quantiles, and Ranks" (with A. Galichon, M. Hallin, and M. Henry) by the *Annals of Statistics*.

Arnaud Costinot published "Beyond Ricardo: Assignment Models in International Trade" (with J. Vogel) in the *Annual Review of Economics* and "Evolving Comparative Advantage and the Impact of Climate Change in Agricultural Markets: Evidence from 1.7 Million Fields Around the World" (with D. Donaldson and C. Smith) in the *Journal of Political Economy*.

Esther Duflo published "Up in Smoke: The Influence of Household Behavior on the Long-Run Impact of Improved Cooking Stoves" (with R. Hanna and M. Greenstone) in the *American Economic Journal: Economic Policy*; "Education, HIV and Early Fertility: Experimental Evidence from Kenya" (with P. Dupas and M. Kremer) in the *American Economic Review*; and "Turning a Shove into a Nudge? A 'Labeled Cash Transfer' for Education" (with N. Benhassine, F. Devoto, P. Dupas, and V. Pouliquen) in the *American Economic Journal: Economic Policy*. She and Abhijit Banerjee also published a chapter, "Movies, Margins and Marketing: Encouraging the Adoption of Iron Fortified Salt" (with S. Barnhardt) in *Insights in the Economics of Aging*, edited by David A. Wise (NBER).

Gregory K. Palm (1970) Professor Glenn Ellison published "Do Schools Matter for High Math Achievement? Evidence from the American Mathematics Competitions" (jointly with A. Swanson) in the *American Economic Review*, and "Fast Convergence in Evolutionary Models: A Lyapunov Approach" (with D. Fudenberg and L. Imhof) in the *Journal of Economic Theory*.

Amy Finkelstein and Heidi Williams published "Paying on the Margin for Medical Care: Evidence from Breast Cancer Treatments" (with L. Einav) in the *American Economic Journal: Economic Policy*. Professor Finkelstein also published "Beyond Statistics: The Economic Content of Risk Scores" in the *American Economic Journal: Applied Economics* (with L. Einav, R. Kluender, and P. Schrimpf); "Medicare Letters to Curb Overprescribing of Controlled Substances Had No Detectable Effects on Providers" in *Health Affairs* (with A. Sacarny, D. Yokum and S. Agrawal); and "Moral Hazard in Health Insurance: Do Dynamic Incentives Matter?" in the *Review of Economics and Statistics* (with A. Aron-Dine, L. Einav and M. Cullen). She also has several papers forthcoming, including a joint paper with Heidi Williams and Matthew Gentzkow, "Sources of Geographic Variation in Health Care: Evidence from Patient Migration," which will be published in the *Quarterly Journal of Economics*, and "Healthcare Exceptionalism? Performance and Allocation in the US Healthcare Sector" (with A. Chandra, A. Sacarny and C. Syverson), which is forthcoming from the *American Economic Review*.

Jon Gruber has three forthcoming papers: "It's Good to Be First: Order Bias in Reading and Citing NBER Working Papers" (with D. Feenberg, I. Ganguli, and P. Gaule), to be published in the *Review of Economics and Statistics*; "Evolving Choice Inconsistencies in Choice of Prescription Drug Insurance" (with Jason Abaluck), forthcoming in the *American Economic Review*; and "Controlling Health Care Costs Through Limited

Network Insurance Plans: Evidence from Massachusetts State Employees” (with R. McKnight), forthcoming in the *American Journal of Economics: Economic Policy*.

Jeff Harris published “Allocation of Residency Training Positions in Spain: Contextual Effects on Specialty Preferences” (with P. Barber, B.G. Lopez-Valcárcel, and V. Ortún), in *Health Economics*, and “Tobacco Control Campaign in Uruguay: Impact on Smoking Cessation During Pregnancy and Birth Weight” (with A. Balsa and P. Triunfo) in the *Journal of Health Economics*. “Evaluación de la Campaña Anti-Tabaco de Uruguay: Balance de 10 Años y Desafíos” (with A. Balsa and P. Triunfo) has been accepted for publication in the *Pan American Journal of Public Health*.

Jerry Hausman and Whitney Newey published “Individual Heterogeneity and Average Welfare” in *Econometrica* and “Nonparametric Welfare Analysis” in the *Annual Review of Economics*. Professor Hausman also published “Finite Sample Bias Corrected IV Estimation for Weak and Many Instruments” (with M. Harding and C. Palmer) in *Advances in Econometrics* and “A New Sampling Algorithm for the Mixed Model of Multinomial Discrete Choice” (with M. Harding and Y. Xue).

Paul A. Samuelson Professor Bengt Holmstrom published “Grossman and Hart (1986) as a Theory of Markets,” in *The Impact of Incomplete Contracts on Economics* (edited by P. Aghion, M. Dewatripont, P. Legros, and L. Zingales) through the Oxford University Press. Also accepted for publication in *Econometrica* was “Understanding the Role of Debt in the Financial System,” the presidential address of the Econometric Society.

Mihai Manea published “Models of Bilateral Trade in Networks” in the *Oxford Handbook on the Economics of Networks*. His article “Social Status in Networks” is forthcoming in the *American Economic Journal: Microeconomics*.

Associate Professor Anna Mikusheva published “A Geometric Approach to Nonlinear Econometric Models” (with I. Andrews) in *Econometrica*. Her article “Conditional Inference with Functional Nuisance Parameter” (with I. Andrews) is forthcoming in *Econometrica*.

Whitney Newey and Victor Chernozhukov published “Nonparametric Identification in Panels Using Quantiles” (with I. Fernandez-Val, S. Hoderlein, and H. Holzman) in the *Journal of Econometrics*. Professor Newey also has a forthcoming article, “Alternative Asymptotics and the Partially Linear Model with Many Regressors” (with M. Cattaneo and M. Jansson) in *Econometric Theory*.

Benjamin Olken and Abhijit Banerjee published one paper, “Self-Targeting: Evidence from a Field Experiment in Indonesia” (with V. Alatas, R. Hanna, M. Wai-Poi, and R. Purnamasari) in the *Journal of Political Economy* and have another paper forthcoming, “Network Structure and the Aggregation of Information: Theory and Evidence from Indonesia” (with V. Alatas, A. Chandrasekhar, and R. Hanna) in the *American Economic Review*. Professor Olken also published “Tax Farming Redux: Experimental Evidence on Performance Pay for Tax Collectors” (with A. Khan and A. Khwaja) in the *Quarterly Journal of Economics* and “Promises and Perils of Pre-Analysis Plans” in the *Journal of*

Economic Perspectives. Professor Olken has two papers forthcoming: “The Personnel Economics of the State” (with F. Finan and R. Pande) in *Handbook of Field Experiments* and “Can Electronic Procurement Improve Infrastructure Provision? Evidence from Public Works in India and Indonesia” (with S. Lewis-Faupel, Y. Neggers, and R. Pande) in the *American Economic Journal: Economic Policy*.

Jim Poterba published “Saver Heterogeneity and the Challenge of Assessing Retirement Savings Adequacy” in the *National Tax Journal*; “The Effect of Taxes on Shareholder Inflows Around Mutual Fund Distribution Dates” (with W. Johnson) in *Research in Economics*; “The Revenue and Incentive Effects of Basis Step-Up at Death: Lessons from the 2010 ‘Voluntary’ Estate Tax Regime” (with R. Gordon and D. Joulfaian) in *American Economic Review, Papers and Proceedings*; and “Economic Implications of Demographic Change” in *Business Economics*. His paper, “Do Required Minimum Distribution Rules Matter? The Effect of the 2009 Holiday on Retirement Plan Distributions” (with J. Brown and D. Richardson) is forthcoming in the *Journal of Public Economics*. He also published “What Determines End-of-Life Assets? A Retrospective View” (with S. Venti and D. Wise) in *Insights in the Economics of Aging* (edited by D. Wise), forthcoming from the University of Chicago Press.

Nancy Rose published “Economics at the Antitrust Division 2014–2015: Comcast/Time Warner Cable and Applied Materials/Tokyo Electron” (with N. Hill and T. Winston) in the *Review of Industrial Organization*.

Franco Modigliani Professor of Finance and Economics Steve Ross published *Corporate Finance* (with R. Westerfield, B. Jordan and J. Jaffe) through Irwin McGraw-Hill. He also published “The Recovery Theorem” in the *Journal of Finance*.

Frank Schilbach published “The Psychological Lives of the Poor” in the *American Economic Review: Papers and Proceedings*.

Alp Simsek published “Liquidity Trap and Excessive Leverage” (with A. Korinek) in the *American Economic Review*.

Gary Loveman Career Development Associate Professor Juuso Toikka published “Mechanisms for Repeated Trade” (with A. Skrzypacz) in the *American Economic Journal: Microeconomics*.

Heidi Williams published “Why Is Infant Mortality in the US Higher than in Europe?” (with A. Chen and E. Oster) in the *American Economic Journal: Economic Policy* and “Do Firms Underinvest in Long-Term Research? Evidence from Cancer Clinical Trials” (with E. Budish and B. Roin) in the *American Economic Review*.

Alexander Wolitzky has several forthcoming papers: “Capital Taxation under Political Constraints” (with F. Scheuer) in *American Economic Review*; “Bounding Equilibrium Payoffs in Repeated Games with Private Monitoring” (with T. Sugaya) in *Theoretical Economics*; and “Mechanism Design with Maxmin Agents: Theory and an Application to Bilateral Trade” in *Theoretical Economics*.

Muhamet Yildiz published “Common Belief Foundations of Global Games” (with S. Morris and H. Shin) in the *Journal of Economic Theory*, “Reputation without Commitment” (with J. Weinstein) in *Theoretical Economics*, and “Invariance to Representation of Information” in *Games and Economic Behavior*.

The department continues to build on its record as a leading research and teaching institution with senior and junior faculty, graduate students, and undergraduates of the highest caliber.

Glenn Ellison
Department Head