

ECONOMICS

AT NORTHWESTERN

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Editor: Maryann Semer

This edition covers events and publications involving economists at Northwestern for the period of June 1, 1993, through February 28, 1994. Additional copies are available from the editor in the Department of Economics office.

APPOINTMENTS, HONORS, AND GRANTS

REBECCA BLANK was asked to testify in August before the White House Task Force on Welfare Reform. In October she was awarded the David Kershaw Prize, given by the Association of Public Policy and Management to the scholar under age 40 whose research has had the most impact on the public policy process. She has been appointed to the Board of Editors of the *American Economic Review* and was elected to a one-year term as First Vice President of the Midwestern Economics Association. She was also appointed to the Board of Directors of the Center on Budget and Policy Priorities.

LOUIS CAIN was appointed a member of the Newcomen Prize committee of the Business History Conference, a member of the election committee of the Public Works Historical Society, and chairman of the Local Arrangements Committee for the 1995 meetings of the Economic History Association in Chicago.

IAN DOMOWITZ received new funding for his ongoing grant from the World Bank for the study of financial trading markets in emerging economies. He also has been serving as an advisor to India with respect to the automation of facilities on the Bombay Stock Exchange.

ROBERT EISNER received the John R. Commons Award of Omicron Delta Epsilon International Honor Society in Economics.

JOSEPH FERRIE was awarded a two-year grant of \$88,228 from the National Science Foundation for his project "A Longitudinal View of Economic Mobility in the 19th Century: Changes in Location, Occupation, and Wealth Among 15,000 Americans, 1850-1870." He also began a one-year leave-of-absence, funded by a Faculty Research Fellowship from the John M. Olin Foundation.

COMMODITIES

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MATTHEW JACKSON was appointed as an associate editor of the *Journal of Economic Theory*.

EHUD KALAI was appointed a Sherman-Fairchild Distinguished Scholar of the California Institute of Technology. With Ehud Lehrer, he has started a three-year National Science Foundation contract to develop "A Subjective Approach to Dynamic Interaction."

STEVEN MATTHEWS organized, (with M. Jackson), the NSF-Kellogg Summer Workshop on The Theory of Organizations and the Design of Contracts, in August, 1993.

ROSA L. MATZKIN acted as a member of the program committee for the North American Meeting of the Econometric Society, which was held in Boston in January. She is currently acting as a member of the program committee for both the Latin American Meeting of the Econometric Society, which will be held in Caracas, Venezuela, in August 1995 and the World Congress of the Econometric Society, which will be held in Tokyo, Japan, in August 1995.

BRUCE MEYER was promoted to Associate Professor and was named a Research Associate of the National Bureau of Economic Research. He also received a grant from the U.S. Department of Labor on "The Incidence of the UI Payroll Tax."

JOEL MOKYR was elected Vice President of the Economic History Association. He continues to serve as a member of the economics advisory panel of the National Science foundation. He will start serving as the co-editor of the *Journal of Economic History* in June 1994.

While on sabbatical, DALE T. MORTENSEN was a Visiting Professor of Economics at the University of Essex during the fall quarter of 1993 and at the California Institute of Technology during the winter quarter of 1994. He was also invited to present a lecture series at the University of California at Los Angeles in January and at the University of Pennsylvania in March entitled "Theories of Job Creation and Job Destruction."

LEON MOSES and Ian Savage received an extension to their research grant from the Federal Department of Transportation. The work evaluates federal programs to improve safety in the motor carrier industry

ROBERT PORTER presented his inaugural lecture as the William R. Kenan, Jr. Professor of Economics, on "Detecting Collusion Among Firms." He rejoined the Board of Editors of the *American Economic Review*. He was a Ford Foundation Visiting Professor of Economics at the University of Chicago for the 1994 spring quarter.

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IAN SAVAGE and Leon Moses received an extension to their research grant from the Federal Department of Transportation. The work evaluates federal programs to improve safety in the motor carrier industry. Ian was also appointed vice-president of the (Chicago) Metropolitan Conference on Public Transportation Research, and joined the Scientific Committee of the 1995 World Conference on Transportation Research to be held in Sydney, Australia.

ALAN M. TAYLOR was awarded the Alexander Gerschenkron Prize by the Economic History Association for the outstanding dissertation in international economic history in recognition of his thesis "Argentine Economic Growth in Comparative Perspective." His paper "External Dependence, Demographic Burdens and Argentine Economic Decline After the *Belle Époque*," previously published in the *Journal of Economic History*, was awarded an honorable mention for best journal article by the Conference on Latin American History. He was awarded a grant by the University Research Grants Committee to begin collaborative work in Argentina on a new economic history of Argentina and the Great Depression.

CHRIS UDRY is now an affiliate and "research team leader" of the African Economic Research Consortium, in Nairobi.

BURTON WEISBROD received a three-year grant from the Andrew Mellon Foundation for a series of research studies of the causes and consequences of the growing commercialism of nonprofit organizations. He also received a grant from the MacArthur Foundation to organize a national conference to establish an agenda for research on urban problems, which will be held in September 1994. He was made a member of the Health Policy Council, established under the auspices of the Robert Wood Johnson Foundation, and an Honorary Member of the Journal of Clinical Outcomes Management Editorial Board.

TRAVELS

JOSEPH ALTONJI presented "Parental Altruism and Inter Vivos Transfers: Theory and Evidence" (with F. Hayashi and L. Kotlikoff) at conferences in Sardinia, Italy and at the University of Wisconsin, Madison. He also presented seminars on this paper at the University of Chicago (November 1993) and at Yale University (February 1994). He presented seminars on "The Effects of Earnings and Wealth on Time and Money Transfers between Parents and Children" (with F. Hayashi and L. Kotlikoff) at Duke University (April 1993) and University of Wisconsin, Madison (November 1993). He also presented seminars on "The Effects of Labor Market Experience, Job Seniority and Mobility on Wage Growth" (with N. Williams) at the University of Rome (June 1993).

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KYLE BAGWELL presented his paper "Multilateral Tariff Cooperation During the Formation of Regional Free Trade Areas" (with R. Staiger) at Harvard University, and he presented "Multilateral Tariff Cooperation During the Formation of Customs Unions," (with R. Staiger) at the University of Wisconsin and at the NBER Conference, "International Trade Rules and Institutions." He presented "Dynamics of Retail Competition: Coordination, Reputation and Shakeout" (with G. Ramey and D. Spulber) at Boston University, the University of Iowa, the University of Michigan and the University of Texas.

REBECCA BLANK presented research seminars at the University of Chicago, at the UC-San Diego, at the Rand Institute, and at Princeton. She presented research papers at the Institute for Research on Poverty Summer Workshop, at the NBER Summer Institute, at the Brookings Panel on Macroeconomic Activity, and at the annual AEA meetings. She also participated in a forum on Research on Gender in Economics, sponsored by the NSF, and on a forum on Economic Issues Facing Women, at the Radcliffe Public Policy Institute.

LOUIS CAIN attended the annual meeting of the Economic History Association in Tucson, Arizona, in September, where he chaired a session on "Gender and Public Policy," and participated in the selection of the Cole Prize. In January, he presented "Death and Spending: Did Urban Mortality Shocks Lead to Municipal Expenditure Increases?" with Elyce Rotella, at the joint American Real Estate and Urban Economics Association - Cliometric Society sessions at the ASSA Meetings in Boston.

EDDIE DEKEL was a co-organizer, participant and speaker at the *Summer in Tel Aviv* theory workshop, which was held during July 1993. In October he presented a seminar at the University of Pittsburgh, and in February 1994 he presented a seminar at the University of Arizona.

IAN DOMOWITZ presented "An Exchange Is A Many Splendored Thing: The Classification and Regulation of Automated Trading Systems," at the NBER conference on the Industrial Organization and Regulation of Securities Markets in January 1994. The paper, "Determinants of the Consumer Bankruptcy Decision," (with R. Sartain) was presented at the Winter Meetings of the American Economic Association, January 1994.

ROBERT EISNER spoke at the Annual Economic Conference, St. Norbert College on October 7. He spoke at the U.S. Capitol on October 29 to an A.D.A. conference on unemployment. On November 9 he testified before the House Government Operations Committee on capital budgeting. He served on a panel at a conference hosted by the Levy Institute, at Bard College, New York on November 12 and served as a discussant at the National Academy of Science, Bureau of Economic Analysis workshop on accounting for the government sector in Washington, November 18-19. He gave a paper

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and served as a discussant at two sessions of Allied Social Science Association meetings in Boston, January 2-5, 1994. On February 22 he addressed a Medill-MacArthur Foundation conference of media people on issues of disarmament in Washington. He gave a seminar at Duke University on March 17. On March 18 he delivered a paper on saving and investment at the Federal Reserve Bank of Dallas conference held in Houston. On April 12 and April 13 he was in New York and Washington promoting his book. On April 15 he spoke at a conference at the University of Virginia. On April 19 he gave a seminar at the Economic Policy Institute in Washington.

JOSEPH FERRIE presented a paper in July on "The Occupational Mobility of Antebellum Immigrants to the U.S. After Their Arrival at New York, 1840-60" at the Summer Institute of NBER's Program in the Development of the American Economy, of which he is a Faculty Research Fellow. He presented "Up and Out or Down and Out? The Occupational and Financial Mobility of Non-Persisters in the Antebellum U.S." to the annual meetings of the Social Science History Association in Baltimore, and to faculty seminars at the Departments of Economics at Indiana University, Yale University, and the University of Arizona.

ROBERT J. GORDON discussed a paper on productivity by Martin N. Baily at the Micro Brookings Panel meeting in Washington in June. He organized and was a discussant at the International Seminar on Macroeconomics in Kiel, Germany, later that month, after which he presented "Wage and Price Dynamics in Germany and America: Differences and Common Themes," at the Institute for Advanced Studies in Vienna. During the summer he participated in Econometric Society meetings in Boston and Uppsala, Sweden, and in the NBER Summer Institute on productivity in Cambridge. During the fall he discussed a paper by Dale Jorgenson at a NSF-MIT conference on Information Technology in Charleston, SC., and presented an updated version of "The Jobless Recovery: Does it Signal a New Era of Productivity-Led Growth?" at the Board of Governors of the Federal Reserve System in Washington. He also organized a pre-conference for the Conference on Research in Income and Wealth, at Harvard, on "The Economics of New Goods." During the fall and winter he also participated in the macro Brookings Panel on Economic Activity in Washington, a NBER economic fluctuations research meeting in Cambridge, and the ASSA meetings in Boston.

MATTHEW JACKSON attended the Bosphorus Workshop on Economic Design in August, where he presented "Strategy-Proof Exchange," (with S. Barbera). He presented the same paper at the University of British Columbia in November and at the University of West Virginia in December.

EHUD KALAI presented, "Bounded Learning Leads to Correlated Equilibrium," (with E. Lehrer) at the Alfred Nobel Symposium on Game Theory held in Björkborn, Sweden. He also presented their follow-up paper, "Subjective Games and Equilibria," at the

Marseilles-Luminey Conference on Epistemic Logic and the Theory of Games and Decisions, at the Summer in Tel Aviv Workshop and in seminars at the University of California, University of Chicago, Stanford University, the California Institute of Technology, and Tilburg University in the Netherlands.

STEVEN MATTHEWS presented "Renegotiation of Sales Contracts," at the University of Toronto in October, 1993 at the University of British Columbia, in December; and at the University of Illinois at Champaign-Urbana in January, 1994.

ROSA L. MATZKIN participated in The Fuqua School of Business Invitational Symposium on "Choice Modeling and Behavior," Duke University, July 1993. She gave a lecture on "Generalized Maximum Likelihood Methods" at the Conference on Semiparametric and Nonparametric Methods, organized by the Econometrics Laboratory, Berkeley, August; presented the paper "Kernel Estimation of Nonparametric Limited Dependent Variable Models" (with W. Newey) at the Latin American Meeting of the Econometric Society, Tucuman, Argentina, August ; presented the paper "Restriction of Economic Theory in Nonparametric Methods" at New York University in December, and Seoul National University and Yonsei University, Korea, in March 1994. In April 1994, she gave a talk entitled "Nonparametric Tests for General Equilibrium Models" and a series of lectures on "Restrictions of Economic Theory in Nonparametric Methods" at the University of Pennsylvania.

BRUCE MEYER presented "The Nature and Extent of Turnover" at the 1993 Brookings Microeconomics Conference in December, and at the Institute for Research on Poverty Winter Conference in February 1994; "The Effect of Unemployment Insurance Taxes and Benefits on Layoffs Using Firm and Individual Data" at the NBER in August 1993, and at Columbia and Yale Universities in September; and "Unemployment Insurance Benefits and Takeup Rates" at Indiana University in September.

JOEL MOKYR presented a paper entitled "Urbanization, Technological Progress and Economic History," at the Egon Sohmen Foundation Conference on Agglomeration and Scale in Economics, Zurich, August 1993. In September, he presented a paper entitled "Technology and Evolutionary Models: a New Paradigm for the Social Sciences?" at an Oxford University conference on technological change. Also in September, he served as the invited chair and commentator at the plenary session on *Economic Change in History*, Economic History Association, Tucson. In October, he was an invited participant at a Liberty fund conference on Karl Polanyi's *Great Transformation* in Richmond, Virginia. At the Social Science History annual meeting in Baltimore, in November, he presented a paper in a special session on the economics of the Industrial Revolution as well as invited session chairman at a session of technical change and industrial history. His paper was presented in December, at the NBER conference on new products and innovation, Cambridge, MA. He presented papers at a number of

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other institutions including Washington University in St. Louis, Boston University, Queen's University and Vanderbilt.

DALE T. MORTENSEN presented "Cyclical Behavior of Job and Worker Flows" and "Growth, Job Creation and Job Destruction" at the Society for Economic Dynamics and Control Meeting in Nafplio, Greece, June 23-25. On the return trip, he visited the Universitat Pompeu Fabra, where he presented a lecture which included material from both papers. In early July, Dale attended the NBER Summer Institute in Boston where he presented "Growth, Job Creation, and Job Destruction." "Cyclical Behavior of Job and Worker Flows" was presented at the Institute for Empirical Macroeconomics, Minneapolis Federal Research Bank during his month long visit there in July and early August.

During his sabbatical visit to England in the autumn of 1993, he presented "Cyclical Behavior of Job and Worker Flows" at the University of Essex, the University of Wales, Exeter University, and the London School of Economics and "Growth, Job Creation and Job Destruction" at University College London and Bristol University. During this same period, he participated in the "Job Creation and Job Destruction Conference" on November 19 and the "Unemployment Policy Conference" on December 13 both at the Centre for Economic Policy Research, London U.K. He presented "Cyclical Behavior of Job and Worker Flows" at the former and "The Effects of Recruiting and Training Subsidies on Unemployment" at the latter.

Dale and Beverly spent the winter months in the Los Angeles area while visiting at the California Institute of Technology. In addition to experiencing a month long earthquake, Dale presented "Cyclical Behavior of Job and Worker Flows" at the University of California at Los Angeles and "Growth, Job Creation and Job Destruction" at Caltech. Finally, he presented a series of lectures on Job Creation and Job Destruction Theory at UCLA in January and another series on the same topic at the University of Pennsylvania in March.

ROBERT PORTER presented seminars at the University of Montreal, Michigan State University, Pennsylvania State University, the University of North Carolina, Duke University, the University of Chicago, and the Canadian Bureau of Competition in Ottawa.

IAN SAVAGE presented "A Cost-benefit Analysis of the Federal Motor Carrier Safety Programs," (with L. Moses), at the Transportation Research Board meetings in Washington, DC. in January 1994.

ALAN M. TAYLOR presented his paper "Mass Migration to Distant Southern Shores: Argentina and Australia, 1870-1939" at a NATO Advanced Research Workshop on

International Migration in Bellagio, Italy, in June 1993. He presented his dissertation summary "Argentine Economic Growth in Comparative Perspective" at the 53rd annual Economic History Association meetings in Tucson, Arizona, in October.

CHRIS UDRY presented "Risk and Saving in Northern Nigeria," at Johns Hopkins and Wisconsin; at the Winter Econometric Society Meetings, in Boston and at the Northeast Development Economics Consortium conference, in Williamstown, Massachusetts. He presented "Segmentation, Rationing and Spillover in Credit Markets: The Case of Rural Punjab," (with C. Bell and T.N. Srinivasan) at Indiana. He also presented "Gender, Agricultural Productivity and the Theory of the Household" at Carnegie-Mellon/Pittsburgh, the Tinbergen Institute, in Amsterdam, and the Rockefeller Foundation seminar on "Getting Agriculture Moving," in Bellagio.

BURTON WEISBROD made presentations at the National Association of Home Care Radiologists Conference in Orlando, Florida; the Whitaker Foundation (Bio-Medical Engineering) National Meeting in Snowbird, Utah; The American Public Health Association Conference in San Francisco; the Association for Research on Nonprofit Organizations and Voluntary Action (ARNOVA) Conference in Toronto; the National Heart, Lung, and Blood Institute of the National Institutes of Health; the Indiana University Conference on Philanthropy; the Donors Forum of Chicago; and the Medical Innovation Conference at the Habif Center for Surgical Studies, Columbia University. He also participated in meetings of the National Center for Charitable Statistics and the Health Policy Council.

PAPERS AND PUBLICATIONS

Center for Mathematical Studies in Economics and Management Sciences (CMSEMS) discussion papers may be obtained by writing to the Math Center, 3-014 Leverone Hall, Northwestern University, Evanston, IL 60208. Banking Research Center (BRC) discussion papers are available from the Banking Research Center, 5-209 Leverone Hall. Finance working papers are available from the Working Paper Coordinator, Department of Finance, KGSM. Center for Urban Affairs and Policy Research (CUAPR) working papers are available from Working Papers CUAPR, 2040 Sheridan Road, Evanston, IL 60208. National Bureau of Economic Research (NBER) working papers and reprints may be obtained by writing to Publications Department, NBER, 1050 Massachusetts Avenue, Cambridge, MA 02138. For working papers not in these series, contact the author directly.

KYLE BAGWELL's "Advertising as Information: Matching Products to Buyers, (with G. Ramey) appeared in the *Journal of Economics and Management Strategy*, Vol 2, Summer 1993, pp. 199-243. His paper "The Sensitivity of Strategic and Corrective R&D Policies in Oligopolistic Industries," (with B. Staiger) was published in the *Journal of*

International Economics, Vol 36. 1994, pp. 133-150. Finally, "Advertising and Coordination," (with G. Ramey) appeared in *The Review of Economic Studies*, Vol. 61, 1994, pp. 153-171. He also wrote a new discussion paper: "Multilateral Tariff Cooperation During the Formation of Customs Unions," (with B. Staiger), November 1993, CMSEMS D.P. 1070.

REBECCA BLANK published "Poverty, Income Distribution, and Growth: Are They Still Connected?" (with D. Card), *Brookings Papers on Economic Activity*, 1993:2; "The New Model Democrat: Can We Look to Clinton for a New Model of Economic Activism?", *New Economy*, Autumn 1993; "Why Were Poverty Rates So High in the 1980s?" in *Poverty and Prosperity in the Late Twentieth Century*, D. Papdimitriou and E. Wolff, eds, Macmillan Press; "Responding to Need: A Comparison of Social Safety Nets in the U.S. and Canada," (with M. Hanratty), in *Small Differences That Matter*, D. Card and R. Freeman, eds, University of Chicago Press.

LOUIS CAIN published *American Economic History*. (with J. Hughes), 4th edition, New York: Harper Collins, 1993. He also published "Thomas & Betts Limited: An Application of 'Theory' of Direct Foreign Investment," in *Business and Economic History*, volume 22, 1993; and "Inland Steel Company," (with R. Aduddell), plus biographies of ten Inland CEOs, in Bruce Seely, editor, *Encyclopaedia of American Business History and Biography: Iron and Steel in the Twentieth Century*, (New York: Bruccoli Clark Layman, 1994). He also published a review of Timothy R. Mahoney, *River Towns in the Great West: The Structure of Provincial Urbanization in the American Midwest*. in the September 1993 *Journal of Economic History*.

IAN DOMOWITZ published the following papers: "Trading Patterns and Prices in the Interbank Foreign Exchange Market," (with T. Bollerslev), *Journal of Finance*, 1993; "Auctions As Algorithms: Computerized Trade Execution and Price Discovery," (with J. Wang), *Journal of Economic Dynamics and Control*, 1994; "The Impact of the Bankruptcy Reform Act of 1978 on Consumer Bankruptcy," (with T. Eovaldi), *Journal of Law and Economics*, 1993; "A Taxonomy of Automated Trade Execution Systems," *Journal of International Money and Finance*, 1993; and "A Consistent Test of Stationary Ergodicity," (with M. El-Gamal), *Econometric Theory*, 1994. His review of "Capital Ideas: The Improbable Origins of Modern Wall Street," by Peter Bernstein, also appeared in the *Journal of Economic Literature*, 1993. Two new working papers, "An Exchange Is A Many Splendored Thing: The Classification and Regulation of Automated Trading Systems," and "Financial Market Automation and the Investment Services Directive," are available in Northwestern University's Center for Urban Affairs and Policy Research working paper series. "Order Flow and the Bid-Ask Spread: An Empirical Probability Model of Screen-Based Trading," (with T. Bollerslev and J. Wang), is available as Working Paper No. 176, February 1994, Department of Finance, Kellogg Graduate School of Management.

ROBERT EISNER's new book, *The Misunderstood Economy: What Counts and How to Count It*, was published by the Harvard Business School Press. "Debt and Deficits," was published in *The McGraw-Hill Encyclopedia of Economics*, Douglas Greenwald, Ed., McGraw-Hill, New York, 1993, pp. 248-252. "Federal Debt," appeared in *The Fortune Encyclopedia of Economics*, David R. Henderson, Editor, Warner Books, New York, 1993, pp. 248-253. His "Fiscal and Monetary Policy Reconsidered, Again: Basic Lessons," appeared in *The Journal of Economic Education*, Summer 1993, pp. 245-259. "Self-Correcting Real Deficits: A New Lesson in Functional Finance," (with S-I. Hwang), was published in *The Political Economy of Government Debt*, Harrie A.A. Verban, Frans A.A.M. Van Winden: North Holland, New York, 1993, pp. 255-294. Professor Eisner's "Real Government Saving and the Future," appeared in *The Journal of Economic Behavior and Organization*, January 1994, pp. 1-15. "Deficits, Saving and Economic Policy," was to be published in *American Economist*, Spring 1994, pp. 1-9. "The Three Trillion Dollar Asset" was published in *Semens Review*, March/April 1994, pp. 32-35. "Déficits, épargne et politique économique" was published in *Économies et Sociétés*, Serie MP.9, January-February 1994, pp. 231-272. On January 30, 1994, "Deficit-Reduction Plans: A Lot of Pain That May Add Up to No Gain," the first in a series of bi-monthly syndicated columns, appeared in *The Los Angeles Times*. The second, "Concept of a 'Natural Rate of Unemployment' is grossly Inflated," appeared on April 3. An Op-Ed page article was published in the *Chicago Tribune* on February 18 under the title, "Balancing Act," and another was published in *The New York Times* on March 19 under the title, "Off Balance."

JOSEPH FERRIE published (with L. J. Alston) "The Bracero Program and Farm Labor Legislation in World War II" in Mills, Geoffrey, and Rockoff, Hugh, eds., *The Sinews of War: Essays on the Economic History of World War II*. Ames: Iowa State University Press, 1993. He and Alston also published "Paternalism in Agricultural Labor Contracts in the U.S. South: Implications for the Growth of the Welfare State," *American Economic Review*, Vol. 83, no. 4 (September 1993), pp. 852-876. He published "The Geographic Mobility of Antebellum Immigrants to the U.S. After Their Arrival at New York, 1840-60" in Roger Ransom, ed., *Research in Economic History*, Vol. 15 (1994). A summary of his doctoral dissertation, "'We Are Yankeys Now': The Economic Mobility of Antebellum European Immigrants to the U.S." was published in the *Journal of Economic History*, Vol. 53, no. 2 (1993), pp. 388-391. His new working papers include "Strikes and the Law in the U.S., 1880-1900" (with J. Currie), "Up and Out or Down and Out? The Occupational and Financial Mobility of Non-Persisters in the Antebellum U.S.," "The Economic Performance of Migrants in Two Centuries: Geographic, Occupational, and Financial Mobility in the U.S., 1850-1860 and 1966-1976," and "The Agricultural Ladder in the South: Panel Data for Jefferson County, Arkansas, 1890-1940" (with L. Alston).

ROBERT J. GORDON published a discussion of Martin N. Baily, "Competition, Regulation, and Efficiency in Service Industries," *Brookings Papers on Economic Activity: Microeconomics*, 1993, no. 2, pp. 131-44.

STUART I. GREENBAUM published "Reputation and Discretion in Financial Contracting" (with A. Boot and A. Thakor), *American Economic Review*, 83:5, December 1993, 1165-83. "Bank Regulation, Reputation and Rents" (with A. Boot) translated into Spanish and published in *La Intermediacion Financiera En La Construccion De Europa*, Fundacion Banco Bilbao Vizcaya, 1994, 303-30. "Is Fairly Priced Deposit Insurance Possible?" reprinted in *Studies In Financial Institutions: Commercial Banks*, C.M. James and C.W. Smith, Jr., editors, McGraw-Hill Book Company, 1994, 631-50. "Bank Capital Regulation" (with L. Benveniste and J. Boyd) reprinted in *Public and International Economics: Essays in Honour of Professor Hirofumi Shibata*, A.M. El-Agraa, editor, St. Martin's Press, London, 1993, 179-200.

MATTHEW JACKSON's paper "Undominated Nash Implementation in Bounded Mechanisms," (with T. Palfrey and S. Srivastava), appeared in *Games and Economic Behavior*, Vol.6, No 1, 1994. His paper "On the Relation Between Undominated Strategies and Nash Equilibrium for 2-person Finite Games," (with S. Srivastava) appeared in *Economics Letter*, 44(3) 1994 and "Speculative Equilibria and Technical Analysis," appeared in a special issue of the *Hitotsubashi Journal of Economics*. His paper "Costly Information Acquisition, Price Volatility, and Efficiency in Competitive Market Games," (with J. Peck) is available as CMSEMS DP #1087.

EHUD KALAI and Ehud Lehrer published "Rational Learning Leads to Nash Equilibria" and "Subjective Equilibrium in Repeated Games," both in *Econometrica*, 61 (5), 1993. They also published "Weak and Strong Merging of Opinions" in the *Journal of Mathematical Economics*, 23. Together with Itzhak Gilboa and Eitan Zemel, Ehud Kalai published "The Complexity of Eliminating Dominated Strategies in *Mathematics of Operations Research*, 18. Together with David Baron he published "The Simplest Equilibrium of a Majority-Rule Division Game" in the *Journal of Economic Theory*, 61, and together with Chaim Fershtman he published "Complexity Considerations in Market Behavior" in the *RAND Journal of Economics*, 24. "A Rational Game Theory Framework for the Analysis of Legal and Criminal Decision Making" by Ehud Kalai appeared in *Inside the Juror: The Psychology of Juror Decision Making*, R. Hastie, ed., published by Cambridge University Press.

STEVEN MATTHEWS published "Efficient and Nearly Efficient Partnerships," (with P. Legros), in *The Review of Economic Studies*, 60, July 1993, 599-612. He also wrote the discussion paper "Renegotiation of Sales Contracts," CMSEMS DP 1051, June 5, 1993.

ROSA MATZKIN published the paper "Nonparametric Identification and Estimation of Polychotomous Choice Models" in the *Journal of Econometrics*, July 1993. She also wrote "Walrasian Comparative Statics" (with D. Brown), SITE Technical Report No. 57, Stanford University, December 1993.

BRUCE MEYER has two new working papers (both with Patricia Anderson) "The Nature and Extent of Job Turnover" and "The Effect of Unemployment Insurance Taxes and Benefits on Layoffs Using Firm and Individual Data." He published "A Longitudinal Analysis of Young Entrepreneurs in Australia and the United States" (with D. Blanchflower) in the February issue of *Small Business Economic*.

JOEL MOKYR published "The Heights of the British and the Irish c. 1800-1815: Evidence from Recruits to the East India Company's Army," (with Ó. Gráda), in John Komlos, ed., *Essays in Anthropometric History*, Chicago University Press, 1994 and "Progress and Inertia in Technological Change" in *The Context of Capitalism: Essays in honor of R.M. Hartwell*, edited by John James and Mark Thomas, University of Chicago Press. He published a number of shorter papers and reviews, including a review of J.L. Van Zanden, *The Rise and Decline of Holland's Economy* in the *Journal of Economic History*, March, and "Comment on Mowery," in "The Boundaries of the US Firm in R & D." in Daniel Raff and Naomi Lamoureaux, eds., *Coordination of Economic Activity within and between Firms*, University of Chicago Press and NBER.

DALE T. MORTENSEN published "Job and Worker Flows in U.S. Manufacturing" and "Information Sources and Equilibrium Wage Outcome" (with T. Vishwanath) in Bunzel, H., Jensen, P., and Westergaard-Nielsen, N., eds., *The Third Symposium on Panel Data and Labour Market Dynamics*, North-Holland, 1993.

LEON MOSES has written the following working papers: "Risk Analysis in the Transport and Storage of Dangerous Materials," "A Profit Maximizing Model of Product Switching for a Multi-Product Monopolist," and "A Model of Profit Maximization for a Multi-Plant, Multi-Market Monopolist with Transport Costs and Cubic Plant Cost Functions."

ROBERT PORTER published "Recent Developments in Empirical Industrial Organization" in the April 1994 *Journal of Economic Education*. "Determinants of the Timing and Incidence of Wildcat Drilling on Offshore Wildcat Tracts," (with K. Hendricks) is available as N.B.E.R. Working Paper #4605.

STANLEY REITER wrote the following: "On Modeling Computing with Human Agents," (January 1994, CMSEMS D.P. 1080); "On Endogenous Economic Regulation," (January 1994, CMSEMS D.P. 1082); "A Lower Bound on Computational Complexity Given by Relevation Mechanisms," (March 1994 CMSEMS D.P. 1047).

IAN SAVAGE and Leon Moses have published two papers on their truck safety work. Their paper "The Effect of Firm Characteristics on Truck Accidents" appeared in the March 1994 edition of *Accident Analysis and Prevention*. They also authored a chapter called "Characteristics of Motor Carriers of Hazardous Materials" in a book entitled *Transportation of Dangerous Goods: Assessing the Risks* edited by Frank Saccomanno and Keith Cassidy and published by the University of Waterloo. Ian has also published a further paper dealing with his work on the interaction between psychological perceptions of risk and the valuation of life. The paper "Demographic Influences on Risk Perceptions" appeared in the August 1993 edition of *Risk Analysis*. Ian also published "Deregulation and Privatization of Britain's Local Bus Industry" in the *Journal of Regulatory Economics* for June 1993.

ALAN M. TAYLOR published *The Economics of Transformation: Theory and Practice in the New Market Economies* which he edited for Springer-Verlag, Berlin, with Alfred Schipke. The volume comprises essays on the post-socialist transition including Taylor's own contribution, "A Model of Price Liberalization in Russia" written with Jonathan J. Morduch.

VISITING SPEAKERS

SUSANTO BASU, University of Michigan, "Procyclical Productivity: Overhead Inputs or Cyclical Utilization?"

DIRK BERGEMANN, University of Pennsylvania, Philadelphia, "Learning and Strategic Pricing"

ANTONIO E. BERNARDO, Stanford University, "An Integrated Analysis of Executive Compensation, Insider Trading, and Corporate Investment"

ALBERTO BISIN, University of Chicago, "General Equilibrium Economies with Imperfectly Competitive Financial Intermediaries"

FRED BLOCK, University of California, Davis, "Rethinking Capital Markets: Towards a Sociology of Finance"

CATHERINE BOONE, University of Texas, Austin, "State Formation and the Limits of African Capitalism"

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JIM POWELL, Princeton University, "More Results on Quantiles, Censoring and (Maybe) Bandwidths"

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