

ECONOMICS DEPARTMENT NEWSLETTER

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March 1982

The economics department will be hosting an Institute on Productivity, Accounting and Economic Growth on April 21. Eight sessions will be presented by members of the economics faculty. The speakers will report and discuss recent economic research that relates to the measurement and analysis of productivity.

Our intention is to share our academic perspective with the practitioners in the business world. We purposely have limited attendance to 100 persons so as to maximize the potential for interaction between the faculty and the participants. Our hope is that this Institute will provide a framework that will stimulate recurring and regular interaction between Boston College economists and members of the business and financial community.

The tuition proceeds from the Institute and any unrestricted grants the department might receive will be used to support economic research at Boston College. The Administration has agreed not to "tax away" our earnings. It is envisioned that research stipends would be offered both to graduate students actively working on their dissertations and to the faculty in the form of summer support.

I. FACULTY RESEARCH AND ACTIVITY

James E. Anderson

Publications

"Quality of Service and the Demand for Air Travel," with Marvin Kraus, Review of Economics and Statistics, Nov. 1981.

"On Cross-Section Tests of the Heckscher-Ohlin Theorem," American Economic Review, Dec. 1981.

"Risk Aversion and Optimal Trade Restrictions," with Leslie Young, Review of Economic Studies, forthcoming.

"The Optimality of Tariff-Quotas," with Leslie Young, Journal of International Economics, forthcoming.

"Identification of Interactive Behavior in Air Service Markets," Journal of Industrial Economics, forthcoming.

Conferences and Presentations

"An Econometric Model of Airline Flight Scheduling Rivalry," with Marvin Kraus was presented to the NBER Conference on Econometric Models of Imperfect Competition, Nov. 1981.

"Identification of Interactive Behavior in Air Service Markets," was presented to the FTC, Oct. 1981.

Christopher F. Baum

Conferences and Presentations

Paper presented at University of Hagen, Germany last June will appear in a conference volume in the Springer-Verlag Lecture Notes in Economics and Mathematical Systems series.

Presented "Assessing Financial Innovation in Response to the 1980 Monetary Reform Act: An Information Theoretic Approach," co-authored by Ed Shea ('80) at the American Economic Association Meetings in December.

David Belsley

Conferences and Presentations

Early this year, David delivered a seminar along with Roy Welsch to the American Society of Quality Controllers in Newark, New Jersey.

Research

Research continues into "Data Diagnostics for Models

David Belsley (Cont.)

nonlinear in variables and/or parameters," and into "Data Diagnostics for the estimation of simultaneous systems of equations." This latter topic has a separable subtopic dealing with a measure of the "Effective Degree of Identification."

Barry Bluestone

Publications

The Retail Revolution, published by Auburn House has been selected by CHOICE Magazine as one of the outstanding academic books of 1981-82.

The Deindustrialization of America (with Bennett Harrison of M.I.T.) will be published by Basic Books in November of this year.

Conferences and Presentations

In December Professor Bluestone delivered a paper "Coping with Labor: Capitalist Strategies and the Devolution of the Social Welfare State," at the Basso Institute Conference on The Transformation of the Welfare State in Turin, Italy. A version of this paper will appear in Inchiesta (Inquiry) in the Spring of 1982.

"Industrial Transformation and the Evolution of Dual Labor Market: The Case of Retail Trade in the United States" (prepared in collaboration with Mary Huff Stevenson of the University of Massachusetts - Boston) and presented at the International Working Party Conference on Labor Market Segmentation in West Berlin has been published in The Dynamics of Labor Market Segmentation, edited by Frank Wilkinson (London: Academic Press, 1982).

Andre Daniere

Conferences and Presentations

Prepared a monograph commissioned by the World Bank on the subject of "Recurrent Cost Problems of Education Investment Projects in the Third World." Was invited by the World Bank to present a seminar on this topic at their Washington, D.C. headquarters, February 26, 1982.

Was invited by the National University of La Plata, Economics Faculty, to participate as their guest in an International Symposium on the Economics of Education to be held in La Plata, Argentina, November 24-27, 1982.

Frank Gollop

Publications

Frank had a paper completely unrelated to his main-line research interests, published in the Law & Society Review, "A Microeconomic Model of Household Choice: The Household as a Disputant," with Jeff Marquardt of the FED.

U.S. Economic Growth, 1948-1979, with Dale Jorgenson of Harvard. The book-length manuscript reports the results of an eleven year research project. It models growth, sectoral and aggregate productivity growth, focuses on total factor productivity, addresses measurement issues which have dominated the productivity literature, and uses an econometric model to identify the sources of productivity growth (and decline) in subperiods of the postwar period.

Conferences and Presentations

Econometric Society: "The Effect of Air Emission Standards on Productivity Growth in the Electric Power Industry," with Mark Roberts.

Western Economic Association: "Growth Accounting in an Open Economy."

NBER National Income and Wealth: "Sectoral Measures of Labor Cost: 1948-76," with Dale Jorgenson.

Testified on productivity-related matters before a subcommittee of the House Committee on Energy and Commerce and will testify in April before the Senate Subcommittee on Employment and Productivity.

Marvin Kraus

Publications

"Quality of Service and the Demand for Air Travel," (co-authored with Jim Anderson) came out in the November, 1981 issue of the Review of Economics and Statistics.

"Indivisibilities, Economics and Scales and the Subsidy Issue for Freeways," Land Economics, February, 1981 is being translated into Japanese by the Expressway Research Foundation of Japan for publication in its journal Kosokudoro to Jidosha (Expressways and Automobiles).

Michael Mann

Conferences and Presentations

Presenting a seminar, "Simultaneous Equation Modeling in Industrial Organization: A Word or Two of Caution," April 2, 1982, FTC.

Joe Peek

Conferences and Presentations

Presented seminar at Tufts University, "Capital Gains and Personal Saving Behavior," December 8, 1981.

Publications

"Personal Saving and the Measurement of Income Tax Liabilities," Review of Economics and Statistics, February 1982.

"Interest Rates, Income Taxes and Anticipated Inflation," American Economic Review, forthcoming, December 1982.

Joseph F. Quinn

Conferences and Presentations

"Pension Wealth of Government and Private Sector Workers" and "The Effect of Pension Plans on the Pattern of Life Cycle Compensation" (with Richard Burkhauser), both presented at the American Economics Association Annual Meetings, Washington, D.C., December 1981.

"The Effect of Pension Plans on the Pattern of Life-Cycle Compensation" (with Richard Burkhauser), presented at NBER Conference on the Measurement of Labor Cost, Williamsburg, Virginia, December 1981.

"Pension Policy and Labor Supply," presented at Gerontological Society Annual Meetings, Toronto, November 1981.

"Social Security and Pension Incentives on Labor Supply," (with Richard Burkhauser), presented at the Fifth Biannual Arne Ryde Symposium: The Economics of Social Insurance, Lund, Sweden, August 1981.

"The Importance of Social Security and Pension Rights in the Wealth Portfolios of Older Americans," presented at Economics of Aging Conference, Kansas City, April 1981, and Seventeenth Annual Conference of the International Association for Research on Income and Wealth, Gouvieux, France, August 1981.

Publications

"Compensation in the Public Sector: The Importance of Pensions" in Public Finance and Public Employment, Robert Haveman (editor), Wayne State Press, 1982 (forthcoming).

"Pension Wealth of Government and Private Sector Workers" American Economic Review, May 1982 (forthcoming).

Joseph F. Quinn (Cont.)

Publications

"The Effect of Pension Plans on the Pattern of Life-Cycle Compensation," (with Richard Burkhauser) in The Measurement of Labor Cost (NBER Conference Series in Income and Wealth), University of Chicago Press, 1982 (forthcoming).

"The Effects of Changes in Mandatory Retirement Rules on the Labor Supply of Older Workers," (with Richard Burkhauser), Institute for Research on Poverty Discussion Paper #645-81 (submitted to Quarterly Journal of Economics).

Comments and Reviews

Review of The Elderly and the Future Economy by Lawrence Olson, Christopher Caton and Martin Duffy, The Gerontologist, 1982 (forthcoming).

Review of Social Security and Pensions in Transition: Understanding the American Retirement System by Bruno Stein, Industrial and Labor Relations Review, April 1981, pp. 460-461.

Barbara Spencer

Publications

"Strategic Commitment with Research and Development: The Symmetric Case," with James A. Brander, October 1981.

Conferences and Presentations

Visited the Australian National University in Canberra, Monash University in Melbourne and the University of New South Wales in Sydney in May 1981. I presented "Tariffs and the Extraction of Foreign Monopoly Rent Under Potential Entry," (co-author James A. Brander), Canadian Journal of Economics, Vol., XIV, No. 3, August 1981: 371-389.

"Industrial Strategy with Committed Firms," with James A. Brander, September 1981. Presented at the Michigan-Western Conference on Economic Theory, October 9-11, 1981.

"Second Best Pricing of Publicly Produced Input: The Case of Downstream Imperfect Competition," with James A. Brander. Barbara will present this at the Public Choice Society Meetings, San Antonio Texas, March 1982.

Barbara has been invited to give a seminar to the Public Enterprise Workshop, at Boston University, February 25, 1982.

Ahmet Tekiner (Visiting)

Publications

A Longitudinal Study of Social and Economic Components of Economic Performance. Turkey 1948/1977. Journal of Policy Modeling, V. 4, (North Holland) February 1982.

"Need Achievement and International Differences in Income Growth 1950-1960." A Reply to Freeman and Further Results for 1925/1950, Economic Development and Cultural Change, (Chicago), Forthcoming.

Richard Tresch

Received a Mellon Foundation Grant for the summer of 1982 to begin a study of state government behavior.

II. GRADUATE STUDENT AND ALUMNI ACTIVITY

William Empey (Data Resources of Canada) Ph.D. 1978.

Bill was promoted to Vice-President and Director of Economics for Data Resources of Canada in January 1981.

Publications

"The Impact of Higher Energy Prices in Canada", published in Canadian Public Policy, Winter, 1981, Vol. VII, No. 1, pp. 28-35.

Clifford Thies

Will be getting his Ph.D. in May. Cliff's defense was on Thursday, March 18, 1982.