KU’s Ginther Conducts Heralded Study Regarding Race and NIH Research Grants

A research team headed by KU Economics Professor Dr. Donna Ginther made national news in August by releasing stunning findings regarding the likelihood of black applicants to receive National Institutes of Health (NIH) grants. The study, which was commissioned by NIH and published in the journal Science on August 19, found that even after controlling for applicants’ educational background, country of origin, training, previous research awards, publication record, and employer characteristics, blacks were 10 percentage points less likely than whites to be awarded NIH research funding via the investigator-led RO1 grant program.

Ginther was the lead author for the ground-breaking article (“Race, Ethnicity, and NIH Research Awards”), which was co-authored by Walter T. Schaffer, Joshua Schnell, Beth Masimore, Faye Liu, Laurel L. Haak, and Raynard Kington. In the wake of the study’s release, Dr. Ginther was quoted extensively by the New York Times and USA Today; and gave interviews to PBS and National Public Radio.

NIH Director Francis Collins told the press that the research had identified a troubling situation that was simply not acceptable.

“The results of this study are disturbing and disheartening, and we are committed to taking action,” Collins said.

Dr. Ginther said that she and her fellow researchers accessed data from a variety of sources and databases and gathered over 80,000 observations.

She explained to PBS that the racial disparity relative to the NIH grant awards likely was the result of black applicants’ not writing competitive proposals; or a problem with the review process; or perhaps both.

Addressing the former concern, she observed that getting black researchers involved in the review process earlier in their careers could pay major dividends.

“There’s nothing like reading other people’s proposals to learn how to write a good one,” Ginther explained.

Another suggested reform discussed by both Ginther and Collins was to thoroughly evaluate and overhaul the minority training program at NIH.

“Scientific discovery is the key to US economic growth, and what we see in this study is that we are not making use of all of our scientific resources,” Ginther said. “Science is a human enterprise, and it is important for science to reflect the diversity of our country.”
Theoretical Economics Conference Provides Groundbreaking Research

The Economics Department’s Center for Theoretical Economics played host to a wide variety of exciting new research papers on June 6 when the 3rd Annual Kansas Workshop on Economic Theory was held at Snow Hall. The workshop, organized by Dr. Tarun Sabarwal, allowed top researchers and theoreticians from around the country to convene and present their latest findings while interacting with one another to provide additional constructive input.

One paper, “Sticky Incentives and Dynamic Agency: Optimal Contracting with Perks and Shirking,” by Dr. John Zhu, developed a new type of incentive scheme, “sticky” incentives, which underlies the optimal, infrequent-monitoring approach to inducing a mixture of first-best and non-first-best action. Discussant Dr. Adib Baqh noted that Zhu’s work provided an important theoretical contribution to the literature on agency problems in a continuous time-setting: the concept of “sticky” Brownian motion; and that the paper therefore could provide insight as to why many dynamic controls in practice have allowed for periods of low-effort by agents (why, for example, CEOs have been able to convince corporate boards to leave them in place notwithstanding extended periods of less than optimal effort and performance).

Another paper, “First Price Auctions with Budget Constraints,” by Dr. Maciej Kotowski, found that hard budget constraints on certain first-price, sealed-bid auctions introduce two competing effects on bidding: the direct effect, which depresses bids as participants hit their spending limits; and the strategic effect, which encourages more aggressive bidding by large-budget participants. Both effects together can yield discontinuous equilibrium strategies stratifying competition along the budget dimension. So the strategic consequences of private budget constraints can seriously confound the interpretation of bidding behavior in auctions.

Additional papers presented at the event included “Sand in the Wheels: A Global Game Approach” (Dr. Laurent Mathevet, University of Texas); “Random Choice and Learning” (Dr. Paulo Netenzon, Washington University in St. Louis); and “Genericity and Robustness of Full Surplus Extraction: A Non-BDP Approach” (Dr. Siyang Xiong, Rice University).
Graduation Ceremony Celebrates New Group of Economists

The 2010-11 academic year concluded for the Economics Department with the Graduation Recognition Ceremony on May 21, a formal event at Woodruff Auditorium in the Kansas Union that honored graduating seniors, masters, and doctoral students. The departmental ceremony nicely complemented the less formal University of Kansas Commencement held the next day at Kansas Memorial Stadium, where many students took the traditional “walk down the Hill” with heavily decorated caps and gowns.

After opening remarks, Economics Department Chair Dr. Joe Sicilian introduced Dr. Marlesa Roney, Vice Provost for Student Success. Dr. Roney acknowledged in her remarks the historic importance of the department at KU, pointing out that a class in political economy was among the course offerings in the initial 1866 university catalog.

Two student speakers, Emily Burgen, an undergraduate major, and Akwasi Nti-Addae, a master’s candidate, joked with the assembled crowd that they were now joining other luminaries who had majored in economics, including Mick Jagger, Arnold Schwarzenegger, and Donald Trump.

Following the formal recognition of 103 undergraduates, 24 master’s candidates, and 3 Ph.D. candidates, everyone had the opportunity to join arms and sway one last time to the Alma Mater and Rock Chalk Chant.

Undergraduate honors presented at the ceremony included two candidates graduating with Highest Distinction (in the top 3 percent of the College of Liberal Arts and Sciences), Emma King and Daniel Nordstrom; three candidates graduating with Distinction (in top 10 percent), Melissa Conrad, Yitong Li, and Mathew Shepard; and two candidates graduating with Honors, Emily Burgen and Lisa Erickson. Emily also received a special Undergraduate Teaching Award.
2011-12 Student Awards and Scholarships

The Economics Department gives a number of annual scholarships and awards to outstanding sophomore, junior, and senior economics majors. The selections are made by the faculty and are based upon academic achievement.

The 2011-12 awards and scholarships were presented at a special awards banquet held May 5 at the Oread Hotel on the north end of campus. A number of faculty joined with Dr. Jim Mielke, Associate Dean of the College of Liberal Arts and Sciences, in congratulating the winners.

The A.J. Boynton Scholarships and the Leland Prichard Scholarships are awarded to juniors to support study in the senior year. Oswald Scholarships are given to sophomores who will be eligible for support in both the junior and senior years.

The John Ise Award, the Domenico Gagliardo Award, the R. S. Howey Award and the A.J. Boynton Award are given to graduating seniors with exceptional academic records. The John Ise Award is given to recognize the most outstanding achievement.

* The Arthur J. Boynton Memorial Awards and Scholarships were established by friends, former students and associates after Professor Boynton’s death in 1928. A longtime member of the Economics Department, Professor Boynton graduated from Harvard in 1903 and came to KU, where he served as head of the department from 1915 to 1924. An asset to the entire Lawrence community, he served on the KU Athletic Board and the Lawrence School Board. An avid golfer and one of the founders of the Oread Golf Club in 1908, Professor Boynton built a nine-hole golf course between Mississippi Street and Potter Lake. He also was a member of the Beloit College Glee Club and the Harvard Double Quartet. When his wife, Flora Boynton, died in 1978, most of her estate was added to the fund.

* The Domenico Gagliardo Award was established after Gagliardo’s death in 1955 to honor his teaching, scholarship and impressive accomplishments in scholarship and public service. He joined the Economics Department faculty in 1923. Professor Gagliardo, born in Frontenac, Kansas in 1895, began working in coal mines in Crawford County as a seventh-grader and did not start high school until age 20. After serving in the Navy in World War I, he came to KU originally in 1920, received a degree in just three years, and subsequently obtained his Master’s degree from Harvard in 1924 and his Ph.D. from the University of Chicago in 1931. He later received the Legion of Merit and the Army Commendation Ribbon for again serving his country in World War II. He was a renowned for his scholarship and expertise in labor economics.

* The R.S. Howey Award, established upon the retirement of the late Richard S. Howey, recognizes outstanding students majoring in economics. He received a B.S. from Harvard in 1926, an M.A. from Southern California in 1929, and a Ph.D. from the University of Chicago in 1955. He joined the KU faculty in 1929, taught for 44 years and subsequently continued to help establish the notable Howey Collection of books in economics and economics history at Spencer Research Library. Even after he became professor emeritus in 1973, he continued to serve the university in a variety of capacities and conduct research in economic history.
* The John Ise Award is funded from sales of Ise’s book, *The American Way*, a collection of his speeches. A committee from the Economics Department and the KU School of Business published and distributed the book. Professor Ise, a native of Downs and the author of *Sod and Stubble*, was a member of the economics faculty at KU from 1916 to 1955. He obtained degrees from KU in Fine Arts (1908), Liberal Arts and Sciences (1910), and Law (1911) before getting advanced degrees at Harvard. The author of a total of eight books, he served as president of the American Economics Association and on the editorial board of the American Economic Review.

* Leland J. Pritchard Scholarships honor a prolific writer on political economy and former professor of finance and economic statistics. Dr. Pritchard came to KU in 1942 after teaching political economy courses at Syracuse University’s Maxwell School of Public Administration. Throughout his career, he also served with the Federal Emergency Relief Administration, the Work Projects Administration, and the National War Labor Board. Professor Pritchard is the author of *Money and Banking*, a definitive and widely used economics text originally published in 1958. A former dean of the School of Business, he also was chair of the Economics Department from 1955 to 1962. A Fulbright Lecturer in Ankara, Turkey in 1962-63, he would later become President of the Midwest Economics Association.

* Charles W. Oswald Scholarships were established with a part of the very generous gifts that Charley Oswald has made to KU. Charley is a Hutchinson native who received a bachelor’s degree in economics from KU in 1951. He was chairman and CEO of National Computer Systems from 1970 to 1994. Charley is a trustee emeritus of KU Endowment. He was a 2005-06 recipient of the College of Liberal Arts and Sciences Alumni Distinguished Achievement Award, the highest honor bestowed by the College.

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**2011-12 Student Award and Scholarships**

**John Ise Award**  
Yitong (Hardy) Li  
Lena Tsiovkh

**Gagliardo Award**  
Emma King

**Howey Award**  
Mathew Shepard

**Boynton Award**  
Daniel Nordstrom  
Benjamin Jefferies  
Lucas Jesseph  
Emily Burgen  
Sean Steinle  
Jonathan Simon

**Pritchard Scholarship**  
Alex Klinghoffer

**Boynton Scholarship**  
Austin Trees  
Taylor Markway  
Megan Miller  
Phil Burggraf  
Jason Ralston  
Ganchimeg Ganpurev  
Anna Tung  
Sijun Yu  
Joshua Dean  
John Hart

**Oswald Scholarship**  
Patrick Kennedy  
Gabriela Moran  
James (Greg) Loving  
Andrew Myers  
Shenji Pan  
Lorgens Estabine  
Tyler Beck

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**Geier Excels at Chicago Law School**

Parlaying her economics background and love of logic, Emily Geier, a 2008 KU economics graduate, has continued her education at the prestigious University of Chicago Law School, where she is pursuing a graduate degree after being named the Victor McQuistion Scholar. McQuistion was a member of the Chicago University class of 1921, and his wife created the scholarship from his estate in 1986.

While at KU, Emily served for 2 years as an Economics Department teaching assistant and also majored in political science. Her love of politics and the law was enhanced when she spent a semester in a special internship program lobbying in Topeka for a local law firm.

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**Loving Named Hall Center Scholar**

Adding to his growing list of awards and scholarships, James (Greg) Loving was named in June as one of six Hall Center Scholars for the 2011-12 academic year. Loving is a senior from McPherson majoring in economics and chemical engineering.

The Hall Center for the Humanities honors a select number of students each year and allows them to interact directly with prominent public figures who speak at the Hall Center Humanities Lecture Series. This year’s lecturers include Laurence Rees, Diane Ravitch, Louis Menand, Jeff Moran, Alain de Botton and Jamaica Kincaid.

“I want to be part of the effort to ensure that these visits have a major impact on the undergraduate community here at KU,” Loving said.

He also is a recipient of a Charles W. Oswald Scholarship awarded by the Economics Department (see page 5).
KU Alum Was Instrumental in Historic Federal Tax Reform Legislation

As the debate over the next potential round of federal tax reform continues unabated by policymakers in Washington, it is worth remembering that one prominent KU Economics Department alum had a key seat at the table during the last major restructuring. Charles E. McLure, Jr., currently a Senior Fellow at the Hoover Institution at Stanford University, was instrumental in the mid 1980s in developing the US Treasury Department’s proposals to President Reagan that became the bedrock of the historic Tax Reform Act of 1986. That legislation, which Dr. McLure helped craft in his role as Deputy Assistant Secretary of the Treasury for Tax Analysis, represents the last major simplification of the federal tax code, drastically reducing the number of deductions, tax shelters and other preferences, as well as the number of tax brackets. At the federal level, the changes were designed to be revenue-neutral in the aggregate, with corporate income taxes being increased while individual income taxes were decreased.

While the Tax Reform Act may have represented one landmark moment of Dr. McLure’s career, it is far from the only one. Prior to joining the Treasury Department, he was the Cline Professor of Economics at Rice University from 1975-79 and also served as the Vice President of the National Bureau of Economic Research from 1977-81. He received his undergraduate degree in economics from KU in 1962 before moving on to receive his master’s and doctoral degrees in economics from Princeton.

During his career, he also served as Senior Economist on the President’s Council of Economic Advisers; as a consultant to various US governmental agencies; and as an adviser to a number of international organizations, including the World Bank, the United Nations, and the International Monetary Fund.

Books he has written include:

- *Fiscal Transition in Kazakhstan* (with Jorge Martinez and Sally Wallace, 1999);
- *The Taxation of Income from Business and Capital in Colombia* (co-authored, 1990);
- *The Value Added Tax: Key to Deficit Reduction* (1987);
- *Economic Perspectives on State Taxation of Multijurisdictional Corporations* (1986); and

In addition to receiving the US Treasury Department’s Exceptional Service Medal in 1985, McLure was honored in 2004 with the National Tax Association’s most prestigious award, the Daniel Holland Medal, granted “for distinguished lifetime contributions to the study and practice of public finance.”

KU’s William Barnett Named to Direct New CFS Measurement Program

KU’s own Dr. William A. Barnett was recently named as Director of a new Center for Financial Stability (CFS) program specializing in monetary and financial measurement that will oversee and develop national and international databases rigorously founded in economic aggregation and index-number theory. The Advances in Monetary and Financial Measurement section of CFS headed by Dr. Barnett will strive to update the databases on an ongoing basis, as well as provide relevant analysis.

CFS was founded in the wake of the recent global financial crisis as a non-partisan, non-profit, independent think tank designed to provide perspective and analysis on financial markets and questions of regulatory oversight. One of its primary objectives is to deliver multi-disciplined research on finance, law, and economics for the benefit of policymakers and the public.

Dr. Barnett is the Oswald Distinguished Professor of Macroeconomics at KU; Core Faculty Member of KU’s Center for Global and International Studies; and Senior Fellow of the IC2 Institute at the University of Texas.

As one of the world’s leading experts on the econometrics of financial aggregation and policy, his work as the originator of the Divisia monetary aggregates and the “Barnett Critique” has been pivotal in shaping academic and central-bank staff research over the last three decades.

He previously served on the staff of the Board of Governors of the Federal Reserve System in Washington, DC for eight years; was the Stuart Centennial Professor of Economics at the University of Texas; a full professor of economics at Washington University in St. Louis; and research associate at the University of Chicago. Before becoming an economist, he was one of the engineers who developed the rocket engines for the Apollo project at Boeing’s Rocketdyne Division in Los Angeles.

Dr. Barnett noted that in addition to its critical mission, one of the things that often impresses people the most about CFS is its location: on the renowned “Avenue of the Americas” in New York City, just three blocks from Rockefeller Center.

Additional information on faculty, their areas of research interest, and recent activities and publications may be found at http://www.economics.ku.edu/people/faculty.shtml. Additional information on current working papers also is available at http://econpapers.repec.org/paper/kanwppaper/.
Alumni Updates

Rachel Koch

Rachel Koch, after graduating in December of 2008, went to work at Columbia Capital Management, a municipal financial advisory firm located in the Kansas City metro area as an analyst. Starting this Fall, she “will be attending Carnegie Mellon University with the hopes of receiving a master of science in public policy and management from the Heinz College.

“It’s great to hear from the KU Econ Department! Keep the publications coming.”

Erin Larive (Kaplan)

Erin Larive (Kaplan) graduated from KU with undergraduate degrees in economics and mathematics in 2005 after doing a good bit of undergraduate research with Dr. Joe Sicilian. She recently received her Ph.D. in economics from the University of California, Santa Barbara, where she “studied applied microeconomics and labor economics under Dr. Kelly Bedard. My interest is mainly in teaching, and I have accepted a visiting lecturer position at the University of Pittsburgh for the Fall of 2011.”

Bill Oliver

Bill Oliver has been retired since 2002 after a career in college text publishing with Prentice-Hall, Harcourt and Thompson.

“Wow, this (Spring 2011 newsletter) is my first Economics Department message since graduation in 1957. I look forward to more news! Looking back, economics was a very useful background for understanding what goes down in the world at large, as well as the start-up business down the street. My first text was (of course) written by John Ise.”

Paul Woelk

Paul Woelk, a 1999 graduate who later received an MBA at the Edwards Campus, recently left the Kansas City area for Tampa, where he is director of finance and business development for a cable/telecom company.

Paul said that while he enjoyed the Spring 2011 newsletter, he “found it bitterly ironic that one of the articles was about a guest lecturer from VCU speaking on models of giving. I wish VCU would have “given” KU a little slack in the tournament game.”

Leo Chan

Leo Chan, who received his doctoral degree from KU in 2001, begins a new teaching position in the Fall of 2011 at Tan Tao University in Vietnam.

Allton Receives Fulbright Award to Study Abroad in Jordan

KU announced in May that Cooper T. Allton, a 2010 KU graduate in both economics and international studies, had been named a recipient of one of the prestigious Fulbright Awards for the 2011-12 academic year and will spend the year teaching English classes in Jordan.

The Fulbright Program, established in 1946 by US Senator J. William Fulbright, is the flagship international exchange program and operates in over 155 countries. Fulbright alumni have won 43 Nobel Prizes and 78 Pulitzer Prizes. Recipients are selected on the basis of academic or professional achievement, as well as demonstrated leadership potential in their fields.

No stranger to international travels, Allton had previously received a special language award that enabled him to spend a summer studying abroad in Morocco while learning Arabic. He also spent a semester in Beijing studying Chinese and has served on a number of community volunteer projects in Ecuador, Haiti, and the Dominican Republic.

Allton is a previous recipient of the Economics Department’s John Ise Award and the Arthur J. Boynton Scholarship.

From Humble Beginnings: Another Alum Leverages Econ Degree to Future Success

When he arrived at KU in the 1970s, Paul Grahovac was amazed and delighted at the diversity and excitement on campus. One of six children whose father was a peasant from Croatia, Grahovac became the first in his family to graduate from college when he received his undergraduate degree in economics and history in 1977 before moving on to the KU Law School, where he graduated in 1980.

Grahovac, currently a successful corporate attorney and business development executive for a local construction chemical company, previously worked as an environmental lawyer for Lockheed Martin.

He also continues to “give back” to his community through his own volunteer organization, Grahovac’s Army, which provides gardening support to inner-city urban farmers growing vegetables on vacant lots where drug houses once stood.

Paul said that he was excited to see the KU Economist, especially its alumni updates, and thought that his journey from humble beginnings through the Economics Department to his current success might be of interest and serve as an inspiration for today’s students.
Econ Grad Shepard Named Chancellor Student Award Recipient

KU announced in May that graduating senior Mathew Shepard, who received degrees in economics and environmental studies, had added (yet another) accomplishment to his impressive resume—a Chancellor’s Student Award, which recognizes the entirety of a student’s academic, volunteer, and leadership accomplishments. One of only ten graduating seniors to receive a 2011 award, Shepard was honored with the Agnes Wright Strickland Award, which was established in 1953 and provides a lifetime membership in the KU Alumni Association.

Among the scholarships Mathew received while at KU was the Horatio Alger National Scholarship, earmarked specifically for students who have overcome great obstacles and have a commitment to use their college degrees in service to others. The Lawrence Journal-World reported that his mother died when he was 13, that he has not spoken to his father in several years, and that he had to contribute as a surrogate parent in many ways to help raise his younger sisters. He grew up in Norton, a small town in northwestern Kansas, but managed to obtain a Summerfield Scholarship and a Dane G. Hansen Leader of Tomorrow Scholarship in addition to the Alger honor to help provide for his education at KU.

His list of activities and accomplishments at KU is lengthy and impressive. He was president of KU’s Torch Chapter of Mortar Board; vice president of the senior class and the Board of Class Officers; served on the 2010 Homecoming Steering Committee; president of the All Scholarship Hall Council; played trombone for the Marching Jayhawks; and sung bass for the University Singers. In January, he was named an undergraduate fellow as part of a program for undergraduate students seeking to explore and better understand the field of higher education. During the Spring semester, he served on a special tuition advisory committee designed to help KU formulate its (always politically tricky) recommendation to the Board of Regents on 2011-12 tuition levels in the wake of continued budget cuts from the state.

He was chosen in May to carry the Class of 2011 banner, which he helped design, down the Hill at graduation.

Shepard said that he hopes to someday go into higher education administration, and is attending graduate school this Fall at the University of Vermont. During the Summer of 2011, he helped run the new student orientation program at Sam Houston State University.

Renowned KU Alum Moves from Baseball to Crime with Latest Book

Most people around Lawrence are familiar with baseball author and historian Bill James, a 1973 KU Economics Department alum who has helped transform the way the sport is played, viewed, managed and understood through his innovative work with baseball research and statistical methods.

But James broke new ground earlier in 2011 with the launch of his new book, Popular Crime: Reflections on the Celebration of Violence, a fascinating examination of our cultural obsession with murder that provides an engrossing and illuminating history of tabloid crime in America.

James, who said he has been interested for years in adding a book on crime to his many on baseball, takes readers on a whirlwind tour of famous cases from Lizzie Borden to the Lindbergh baby to O. J. Simpson, explaining as he goes along how the crimes were committed, investigated, prosecuted and covered in the media—and what the implications have been for our culture. The author weaves the headline-grabbers into a more comprehensive look at an array of topics including serial murder, fluctuating crime rates, radicalism and crime, and prison reform.

He told the Lawrence Journal-World at a book signing in late May that, “It’s the odd (crimes) that becomes famous. The ones that are planned and plotted. The reason we are fascinated is they bring forward a part of human nature.”

As a senior adviser to the Boston Red Sox, James has contributed in his own meaningful way to the team’s two World Series titles. He has been identified by Time magazine as one of the 100 most influential people in the world; and he has published more than 20 books and dozens of articles focusing on the elements of building a winning baseball team.

Among his other accomplishments, he has received the KU College of Liberal Arts and Sciences Alumni Distinguished Achievement Award, the highest honor bestowed by the College.

Joint Economics and Law Program

One of several joint-degree programs offered at KU is available through the Economics Department and the School of Law. Students may earn both an M.A. in economics as well as their J.D. degree in three years and one summer session, provided they have been admitted to the law school as well as the economics master’s program. The combined-degree program acknowledges the growing importance of economic analysis in many areas of law, including corporate law, regulated industries, environmental law, torts, and labor law.
Asiedu Named Director of African Economic Research Consortium

KU’s Dr. Elizabeth Asiedu received another exciting honor in August when the African Economic Research Consortium (AERC) named her as its new Director of Research. The AERC was established in the 1980s as a not-for-profit entity devoted to the advancement of economic policy research and training with an emphasis on strengthening local capacity for conducting independent inquiry into problems with the management of economies in sub-Saharan Africa.

As reported in the Spring 2011 edition of the KU Economist, Dr. Asiedu had been previously elected as the first female president of the African Finance and Economic Association, a professional association that publishes the Journal of African Development.

The AERC research mission is based on the premises that development is more likely to occur where there is sustained and sound economic management; and that such management is more likely under the auspices of an active, well-informed group of locally based professional economists conducting policy-relevant research. Donor governments, private foundations, and African and international organizations all provide support to AERC programs.

Dr. Asiedu’s own research has previously focused on foreign direct investment, foreign aid and HIV/AIDS. She has received numerous awards and honors, including the Emerging Scholar Award, the Outstanding Woman Educator Award, the Kemper Teaching Award, the Byron Shutz Award for Excellence in Teaching; and has been named a KU Woman of Distinction.

She will be temporarily leaving KU after the Fall 2011 semester in connection with the AERC directorship, since her appointment starts in January.

Guest Speaker Delves Into Non-Tariff Trade Barriers

A leading agricultural and trade economist unveiled provocative new research at the KU Economics Department in September suggesting that non-tariff trade barriers may be routinely used as a substitute protectionist mechanism in lieu of actual tariffs. Kathy Baylis, assistant professor in agriculture and consumer economics at the University of Illinois, presented findings (“Something Fishy? Tariff vs. Non-Tariff Barriers in Seafood Trade”) based on European Union (EU) seafood import refusal data correlating the extent to which countries may have increased such non-tariff trade restraints as a result of increased demand for protectionism.

Baylis, who co-authored the study along with Lia Nogueira and Kathryn Pace, noted that as EU trade agreements have forced a reduction in tariffs, there appears to have been a significant increase in seafood import refusals. She said that one of the implications of EU members’ using the refusals as a substitute for tariffs was a conclusion that World Trade Organization requirements for non-tariff barriers were not working as intended.

The analysis was presented as part of the Guest Speaker Series, which gives visiting faculty the opportunity to present the latest economic research from current and upcoming papers.

Additional speakers scheduled for presentation during the Fall semester include guests from Purdue, Arizona, Georgia Tech, Nebraska-Omaha, and the Kansas City Federal Reserve.

Message from the Chair

We started up the KU Economist several years ago in part to improve and expand upon our alumni outreach efforts. Since then, we have been delighted at the response of alumni and friends from around the globe, and I am continually amazed at the level of success our graduates have achieved in any number of fields.

In this edition, I am particularly impressed by the Horatio Alger-like components to the fascinating life stories of graduates like Mathew Shepard and Paul Grahovac. Our goal, as always, is to relay stories and updates on the famous and not-so-famous alumni that we hope you will find interesting.

As proud as we are to have produced KU’s only Nobel Laureate, Vern Smith, we recently discovered that another of our groundbreaking theoreticians, John Lintner, likely would have received a Nobel Prize (page 10) had he not died in an automobile accident in 1983.

As for the current happenings at the Economics Department, we are very excited to continue to bring you the latest news about the awards, accomplishments, publications, and growing national reputations of our faculty and students alike.

Please continue to let us hear from you! We would like to know what you are up to, would very much like to stay in touch with everyone on an ongoing basis, and would like to know what more you want to know about what is going on in the Department.

Rock Chalk!

- Joe Sicilian
KU Econ Alum was Leading Capital Market Theoretician

The life and career of one Kansas native, John V. Lintner, provides yet another important chapter in the history of the Economics Department and its successful alumni. Lintner, born in 1916 in Lone Elm, Kansas, received his undergraduate and master’s degree in economics from KU in the late 1930s and early 1940s before moving on to Harvard for his Ph.D.

Lintner, the longtime chair of Harvard’s joint doctoral program in economics and business, was integral in the development of capital market theory, especially relating to concepts used by financiers in the evaluation of risk in the stock market.

At the 1990 Nobel ceremony for economist William Sharpe for his work on the development of a capital asset pricing model, many speakers observed that the prize would have been shared with Lintner – who had originally developed the model in parallel with Sharpe – had the Kansas native still been alive. Lintner was killed in an automobile accident in 1983.

The Boston Globe reported that the landmark theoretical work of Lintner and Sharpe had given Wall Street the concept of a “beta” coefficient designed to measure the riskiness and volatility of a particular stock relative to the performance of the stock market as a whole.

During his distinguished career, Lintner also acted as a consultant during both Democratic and Republican administrations to the U.S. Treasury Department, the Council of Economic Advisors, and the Federal Home Loan Bank Board. He was the author of five books, including the famous 1945 work, The Effects of Federal Taxes on Growing Enterprises.

Booth Working with KU to Anchor Naismith’s Original Rules at Allen

Well-known economics graduate and die-hard Jayhawk, David Booth, has continued to work with KU officials in preparation for the original copy of James Naismith’s handwritten rules of basketball to be put on permanent display. As reported in the previous issue of the KU Economist, Booth purchased the rules last December at a record auction price of $4.33 million.

Booth, who received his undergraduate degree in economics from KU in 1968, said in late August that he was working with the university in reviewing a number of different exciting options regarding the ultimate display for the rules. He said he hoped the setting would help convert historic Allen Fieldhouse, which sits on Naismith Drive, into more of a year-round tourist destination.

Booth is chairman and CEO of Dimensional Fund Advisors, one of the US’ largest institutional fund managers.

NEW PH.D. HUANG WINS OUTSTANDING DISSERTATION AWARD

Hsueh-Chin (Serena) Huang received an additional honor at her Doctoral Hooding Ceremony in May – the prestigious Argersinger Prize for Outstanding Dissertations. While KU conferred 399 doctoral degrees in 2011, Serena received one of only two Argersinger Prizes granted by the university.

Her dissertation, “An Evaluation of Skilled Immigration in the United States,” grew out of her long-term interest in immigration issues developed as a result of her experiences as the teenage daughter of a visiting professor at Pittsburg State University.

“I saw reports in the media about immigrants taking jobs from Americans and was puzzled,” Huang said.

Serena’s adviser, Dr. Donna Ginther, said that the dissertation research, which was funded in part by a grant from the Alfred Sloan Foundation, “has important implications for economic policy by suggesting future policies should address the differences between high- and low-skilled immigrants.”

Sara Rosen, Dean of Graduate Studies, explained that to even be considered for the Argersinger, a student’s defense must have been awarded honors by the departmental defense committee; and that the final university-wide review committee was particularly impressed by the 19 dissertations that ended up being forwarded for ultimate nomination in 2011.

The Argersinger Prize was established through KU Endowment in 1992 and is named in honor of William J. Argersinger and his wife. He was KU’s first Vice Chancellor for Research and Graduate Studies and Dean of the Graduate School.

As a recipient, Serena, who also received her undergraduate and master’s degrees in economics from KU, will have her name listed on a special plaque in the Kansas Union.

She has accepted a consulting job with Charles River Associates, a leading analysis firm that offers economic, financial, and business management expertise to major law firms, industries, accounting firms, and governments around the world.

Giving to Economics at KU
http://economics.ku.edu/giving/
KU Economics Club Visits the Fed, Plans for Future

The KU Economics Club continues to flourish as a valuable extracurricular outlet for students, and members concluded the 2010-11 club year with a field trip to the Federal Reserve Bank of Kansas City. The Kansas City Fed is responsible for the activities of the nation’s central bank in a seven-state region.

During the Spring 2011 semester, guest lecturers also provided the club with a number of presentations, including an overview of Kansas state and local tax policy; how the state forecasts receipts; and budget issues facing policymakers in both Topeka and Washington.

Maureen Primdahl, who is taking over as President for the 2011-12 year, said that she was going to continue the efforts of her predecessors to continue to build momentum and membership. Updated lists of activities and speakers may always be found on the club’s Facebook page.

Burgen’s Research Delves Into Gender Wage Gap Issues

Another of the Economics Department’s top alumni stars of the future, Emily Burgen, received her undergraduate degree, with honors, in May – but not before she presented a paper at the 14th Annual Undergraduate Research Symposium. That program, held in conjunction with Sigma Xi, the Scientific Research Society, gave Emily the chance to present her important new research on “Decomposing the Gender Wage Gap.” Her study noted that while much of the prior economic research on the gender wage gap tended to focus on the extent to which it may be explained by education and occupations, in fact work activities – the type of work a person does – differs by gender and can explain even more of the wage gap. Using data from the 2003 National Survey of College Graduates and controlling for occupation, majors, and work activities, she found the work activities can account for fully one fifth of the gap. Her research further demonstrated that jobs can be disaggregated into tasks; and that these specific tasks are directly related to worker’s wages.

Emily, who was advised on the project by Dr. Donna Ginther, also was a recipient of a 2011 Boynton Award and was one of only two students given the privilege of speaking at the Graduation Recognition Ceremony. She said she is currently hoping to spend a couple of years in the private-sector research field before going back to graduate school.

She spent the Summer of 2011 working as the Operations Coordinator for a Duke University Talent Identification Program, a summer camp for gifted 7th and 8th graders.

Alumni News

Alums and friends of Economics at KU, we want to hear from you! Please keep us updated on what is happening in your lives. We look forward to including your news and events in the next KU Economist.

Mail
Alumni News
Department of Economics
University of Kansas
Lawrence, Kansas 66045

Email Your News
econalums@ku.edu
Subject Line: Alumni News

Send News Online
http://economics.ku.edu/newsletter/online_news_form.shtml
KU Alum Co-Founder of “Team Rubicon” Disaster Relief Group

Another KU Economics Department alum, William McNulty, has gained international prominence as one of the co-founders of “Team Rubicon,” a special first-responder disaster team formed in the wake of the 2010 Haiti earthquake. Team Rubicon is designed to bridge the critical time gap between large humanitarian disasters and conventional aid response. The group provides vanguard medical care by fielding small, self-sustaining, mobile teams of skilled first-responders; and relies on a horizontal command structure, social networking technology, and the employment of local nationals to assure rapid deployment. Team Rubicon and its rapid-response approach have quickly developed a growing international reputation for its efforts in saving lives and alleviating suffering associated with flooding, tsunamis, earthquakes, and tornadoes.

McNulty, who is vice president of the group and also on its board of directors, is a former Marine who served previously in both the infantry and in military intelligence. He has worked in support of the Defense Intelligence Agency, the National Security Council’s Iraq Threat Finance Cell, and the Under Secretary of Defense for Intelligence. He received his undergraduate degree in economics and communications studies from KU before moving on to receive his master’s degree in government security from Johns Hopkins University.

Team Rubicon has utilized McNulty’s unique areas of expertise by deploying to a number of locations around the world which provided a variety of different communications and security challenges, including Pakistan, Chile, and Joplin, Missouri, as well as Haiti.

First Lady Michelle Obama recently cited Team Rubicon as an inspirational example of “veterans’ using their skills and experience to continue their service as civilians.”

note from the editor

A special thanks to everyone who contributed to and helped with this issue of the KU Economist, including Pam LeRow and Paula Courtney at CLAS Digital Media Services; the Kansas University Alumni Association; and Martha Hensley, our editor emeritus. The previous three editions also are available on the departmental website at http://www.economics.ku.edu/about/newsletters.shtml.