

UNIVERSITY OF VIRGINIA  
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ROUSS HALL

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Greetings:

As you read in the press about Ralph Sampson and Virginia's basketball team you might wonder also how the Economics Department is doing, so I am writing to tell you a little about life in Rouss Hall.

The enclosed folder briefly describes today's graduate program. Although there has been no dramatic change, the program has become more rigorous along with the profession as a whole in recent years. Our Ph.D. program now includes fields in econometrics and in labor economics, and all M.A. students are required to take a course in econometrics. We have dropped the language requirement for the Ph.D. Most importantly, we are trying to make sure that people complete the program in a reasonable amount of time.

The graduate program has stayed at about the same size for a long time. Each year we enroll about 20 students and graduate 7 or 8 Ph.D.'s and almost the same number of M.A.'s. Three-fourths of those with doctorates still go to academic appointments; most others choose government positions, and some go to industry. Alumni continue to distinguish themselves in a great variety of ways. For example, on the MacNeil/Lehrer Report alone I have enjoyed seeing John Albertine (Ph.D., 1975), Paul Craig Roberts (Ph.D., 1967), John Rutledge (Ph.D., 1973), and repeatedly, James C. Miller, III (Ph.D., 1969). Alumni also continue to send good students here, and for that we are especially grateful.

The enclosed folder also contains a list of current faculty, which has grown in number since you were a student. The Department's faculty is young, with more members at the rank of assistant professor than at any other rank; yet members continue to publish actively. Indeed, you may have noticed the article in this month's American Economic Review, which ranked the Department 18th in the country based on publications per faculty member in 24 leading economics journals during 1974-1978. Since you are less likely to know them, let me provide a sample of recent and forthcoming work by assistant professors:

Keith Crocker, "Vertical Integration and the Strategic Use of Private Information," The Bell Journal, forthcoming.

Marjorie Flavin, "The Adjustment of Consumption to Changing Expectations about Future Income," Journal of Political Economy, October 1981.

James Hamilton, "Oil and the Macroeconomy Since World War II," Journal of Political Economy, forthcoming.

Ronald Michener, "Variance Bounds in a Simple Model of Asset Pricing," Journal of Political Economy, February 1982.

Clark Nardinelli, "Corporal Punishment and Children's Wages in Nineteenth Century Britain," Explorations in Economic History, July 1982.

Jonathan Skinner (with A. Auerbach and L. Kotlikoff), "The Efficiency Gains for Dynamic Tax Reform," International Economic Review, forthcoming.

John Strauss, "Determinants of Food Consumption in Rural Sierra Leone," Journal of Developmental Economics, forthcoming.

Ronald Warren, "Labor Market Contracts, Unanticipated Wages, and Employment Growth," American Economic Review, forthcoming.

William C. Wood, "Nuclear Liability after Three Mile Island," The Journal of Risk and Insurance, September 1981.

While on the subject of publications I should mention new books you may want to look for:

William Breit and Kenneth G. Elzinga, The Antitrust Casebook: Milestones in Economic Regulation, Dryden Press.

Edgar K. and Jacqueline M. Browning, Microeconomic Theory and Applications, Macmillan.

William C. Wood, Insuring Nuclear Power: Liability, Safety and Economic Efficiency, JAI Press; and also Nuclear Safety Regulation, a monograph being published by the American Enterprise Institute.

The following are coming out in revised editions: Readings in Microeconomics, edited by William Breit and Harold Hochman; The Academic Scribblers, by William Breit and Roger Ransom; and Public Finance and the Price System, by Edgar K. and Jacqueline M. Browning.

This year we were all saddened by the death of Bill Beazer, who suffered a heart attack after a morning of vigorous skiing in France. (He was visiting at Louis Pasteur University in Strasbourg.) The faculty was changed also by the departure of Ben McCallum for a position at Carnegie-Mellon University. All the graduate students of the last 15 years seem to remember Mr. McCallum.

Visiting the University for this academic year are Patrick Cohendet from Strasbourg, France (fall only); John Haring, who took an undergraduate degree here in 1968 and completed his Ph.D. at Yale; Gordon Mills, from Sydney, who visited here in 1971-72; and John Kendrick, from George Washington University (spring only), who is currently president of the Southern Economic Association. We have research workshops each week and invited visitors from outside the University perform in about half these sessions. Among recent workshop visitors were Charles Plott (Ph.D., 1965) from California Institute of Technology, Robert Tollison (Ph.D., 1969), Director of the Bureau of Economics at the Federal Trade Commission, and Robert Feinberg (Ph.D., 1976), from Pennsylvania

State University. We still have Friday seminars, too, although not every Friday, and this year we especially enjoyed having Martin Feldstein (before he became Chairman of the Council of Economic Advisors) and James C. Miller, III (Ph.D., 1969), Chairman of the Federal Trade Commission.

If you have not been back in a while, you will notice, when you do visit, that Rouss Hall is crowded even though the Commerce School has moved out (to Monroe Hall). Rouss Hall now houses the Snavely Graduate Economics Library and all TA/Instructor space. We are trying to install two cathode-ray terminals in Rouss Hall to connect us with the University's Computation Center, and we are working also to obtain equipment for wordprocessing. Some small alterations are being sought so we can use scarce space more effectively, and we hope in the process to make the inside of the building more attractive.

Next year Herb Stein is to serve as president of the Southern Economic Association while John Whitaker will be president of the History of Economics Society. The Department will host the convention of the History of Economics Society next May. The Southern Economic Association meetings will be in Washington, D.C. next November, in the week of Thanksgiving. Maybe you can stop in Charlottesville on your way to or from these meetings. I'd enjoy seeing you here, either next November or at any other time.

If you will send me news about yourself or about other alumni I can pass it along in a letter like this next year (and be sure to let me know if our address for you is wrong). I hope if you have any suggestions for the Department you will let me have them, too, and that we can keep in touch better than we have in the past.

Best wishes for the holidays.

Sincerely,



Roger Sherman  
Chairman