

Three MIT Students Selected for 2011 Review of Economic Studies Tour

Three of this spring's graduating MIT Ph.D. students – **Daniel Keniston, Mar Reguant, and Alex Wolitzky** -- have been honored as participants in the 2011 Review of Economic Studies "tour." Each year, seven of the most outstanding new Ph.D.s are selected by the foreign editors of the Review to take part in a two-week seminar tour of leading European economics departments. Daniel, Mar, and Alex will be joined by Kei Kawai (Northwestern), Peter Koudijs (Universitat Pompeu Fabra), Alessandra Voena (Stanford), and Alex Torgovitsky (Yale) on the 2011 tour.

Daniel Keniston is a development economist whose dissertation analyzes the role of bargaining markets in developing nations. He compares the welfare gain from the status quo bargaining market for autorickshaw (mini-taxi) rides in Jaipur, India with an alternative fixed-price option in this market. Commenting on his graduate school experience, Daniel explains that "The MIT economics department provided an outstanding research environment-- my work spans both development and IO, and I received enthusiastic and extremely helpful support from faculty members in both fields." Daniel will be an assistant professor in the Yale Economics Department next year.

Mar Reguant is an industrial organization economist whose dissertation examines the welfare implications of complex bidding in wholesale electricity markets. A bidder's payoff in one auction depends on whether that bidder is also the winner in other auctions. Mar develops a novel empirical strategy that measures the welfare properties of different market outcomes; she shows that such complementarities have ambiguous welfare consequences. On her time at MIT, Mar comments that "My experience has been fantastic. The intellectual environment in the department is extremely exciting, and professors are very supportive and encouraging with graduate students. The IO sequence covers a great mix of theoretical, applied, and structural work. I have found it really valuable to be exposed to these different approaches in such a comprehensive fashion." Mar will be joining the faculty of the Stanford Graduate School of Business this summer.

Alex Wolitzky is a microeconomic theorist with a substantial secondary interest in political economy. His dissertation examines the role of reputation in bargaining, and proves that in a bargaining situation a player with even a small ability to commit to a strong bargaining posture can guarantee herself a large share of the surplus even when she does not know her opponent's strategy. Alex describes his experience as an MIT Ph.D. student by saying "MIT has been the ideal graduate program for me. The mix of theorists and applied economists interested in theory is incredibly stimulating and offers a very wide range of perspectives to theory students." Alex has accepted an assistant professorship in the Stanford Economics Department.

This is the second consecutive year when MIT's graduates were extremely successful in the highly competitive selection process for the Review of Economic Studies "tour." In 2010, MIT's graduates were

also extremely successful in the highly competitive selection process for the Review of Economic Studies "tour." In that year, four of the tour's seven participants were from MIT: **Cynthia Kinnan**, a development economist whose dissertation studied the role of insurance arrangements in Thai villages, and who is now an assistant professor at Northwestern; **Pablo Kurlat**, a macroeconomist whose dissertation examined the sources of variation in liquidity over the course of the business cycle, and who is now an assistant professor at Stanford; **Florian Scheuer**, a public finance theorist whose dissertation studied the design of optimal tax systems in an economy with an important entrepreneurial sector, and who is also now a faculty member at Stanford; and **Alp Simsek**, a macroeconomic theorist whose dissertation examined asymmetric information and heterogeneous prior beliefs in financial markets, who is now a Harvard faculty member. The other participants in the 2010 tour were Kirill Evdokimov (Yale), Benjamin Handel (Northwestern), and Andrew Shephard (University College - London).

MIT's recent success is part of a longer tradition of claiming the most spots on the Review of Economic Studies tour. In the last three years, MIT Ph.D.s have accounted for 43% of tour participants. Over the tour's entire history, MIT graduates account for nearly 22% of participants, while the Ph.D. program with the next most tour participants claims 13% of the participants.

The success of MIT graduates in the Review "tour" is only one example of the many ways in which they are recognized for their professional contributions. Five of the last seven winners of the American Economic Association's John Bates Clark medal, which is presented to an American economist under the age of 40 for significant contributions to economic knowledge, have been graduates of the MIT Ph.D. program. These winners, and their current affiliations, are **Andrei Shleifer (Harvard)**, **Matthew Rabin (Berkeley)**, **Steven Levitt (Chicago)**, **Emmanuel Saez (Berkeley)**, and **Esther Duflo (MIT)**. Over its entire history, MIT graduates account for the largest share of Clark Medal recipients among all Ph.D. programs.

MIT graduates are also well-represented among recent Nobel laureates. In the last decade, four (**George Akerlof**, **Joseph Stiglitz**, **Paul Krugman**, and **Peter Diamond**) Nobel recipients received their Ph.D.s from MIT.