CURRICULUM VITAE

NAME: Larry G. Epstein

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BUSINESS ADDRESS: Department of Economics
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CITIZENSHIP: Canadian (U.S. resident)

EDUCATION: Ph.D. in Economics, University of British Columbia, June 1977
M.A. in Mathematics, Hebrew University, Jerusalem, April, 1970
B.Sc. (Honours) in Mathematics, University of Manitoba, 1968

ACADEMIC AND PROFESSIONAL EXPERIENCE:

Research Experience:

Research Economist, Strategic Planning and Research, Department of Manpower and Immigration, Ottawa, November 1971-May 1974.

Assistant Professor, University of Toronto, July 1977; Associate Professor, from March 1980.

Professor, Department of Economics, University of Toronto, from July 1983.

University Professor of Economics, University of Toronto, June 1994 – July 1998.

Current Position: Elmer B. Milliman Professor of Economics, University of Rochester

AREAS OF SPECIALIZATION:

Mathematical Economics
Decision Theory, Asset Pricing

HONOURS: Fellow of the Econometric Society (since 1989)
1994 Frisch Medal (awarded by Econometric Society)
Fellow of the Royal Society of Canada 1994-1999
John Rae Award (CEA) for Outstanding Research (1994)
Listed in Who's Who in Economics, 3rd ed., M. Blaug ed., Edward Elgar, 1999.
ISI Highly Cited Researcher

PAPERS IN REFEREED JOURNALS

"Some Economic Effects of Immigration: A General Equilibrium Analysis," Canadian Journal of Economics 7, (1974), 174-90.

"A Disaggregate Analysis of Consumer Choice Under Uncertainty," Econometrica 43 (1975), 877-92.

"Production Flexibility and the Behaviour of the Competitive Firm Under Price Uncertainty," Review of Economic Studies (1978), 251-261.

"The Le Chatelier Principle in Optimal Control Problems," Journal of Economic Theory (1978), 103-22.

"Decision Making and the Temporal Resolution of Uncertainty," International Economic Review (1980), 267-281.

"Generalized Increasing Correlation: A Definition and Some Economic Consequences," Canadian Journal of Economics 13 (1980), 16-34, with S. M. Tanny.

"Endogenous Capital Utilization in a Short Run Production Model: Theory and an Empirical Application," Journal of Econometrics 12 (1980), 189-207, with M. Denny.

"Multivariate Risk Independence and Functional Forms for Preferences and Technologies," Econometrica (1980), 973-85.

"Capital Asset Prices and the Temporal Resolution of Uncertainty," Journal of Finance (1980), 627-643, with S. Turnbull.

"Generalized Duality and Integrability," Econometrica (1981), 655-678.

"Duality Theory and Functional Forms and Dynamic Factor Demand Functions," Review of Economic Studies (1981), 81-95.

"Comparative Dynamics in the Adjustment-Cost Model of the Firm," Journal of Economic Theory (1982), 77-100.

"On Decreasing Absolute Risk Aversion and Utility Indices Derived from Cake-Eating

Problems," Journal of Economic Theory (1983), 245-264.

"Integrability of Incomplete Systems of Demand Functions," Review of Economic Studies (1982), 411-425.

"The Multivariate Flexible Accelerator Model: Its Empirical Restrictions and an Application to U.S. Manufacturing," Econometrica (1983), 647-673, with M. Denny.

"Stationary Cardinal Utility and Optimal Growth Under Uncertainty," Journal of Economic Theory (1983), 133-152. Reprinted in Growth Theory II, R. Becker and E. Burmeister eds., Edward Elgar Ltd., 1990.

"Intertemporal Price Indices for the Firm," Journal of Economic Dynamics and Control 6 (1983), 109-126.

"The Rate of Time Preference and Dynamic Economic Analysis," Journal of Political Economy (1983), 611-635, with A. Hynes. Reprinted in Growth Theory III, R. Becker and E. Burmeister eds., Edward Elgar Ltd., 1990.

Aggregating Quasi-Fixed Factors," Scandinavian Journal of Economics 85 (1983), 191-205.

"The Empirical Determination of Technology and Expectations: A Simplified Procedure," Journal of Econometrics 27 (1985), 235-258, with A. Yatchew.

"Decreasing Risk Aversion and Mean-Variance Analysis,"Econometrica 53 (1985), 945-961.

"Nonparametric Hypothesis Testing Procedures and Applications to Demand Analysis," Journal of Econometrics 30 (1985), 149-169, with A. Yatchew. Reprinted in New Approaches to Modelling, Specification Selection and Econometric Inference, W. Barnett and R. Gallant eds., Cambridge U. Press, 1989.

"Intergenerational Preference Orderings," Social Choice and Welfare 3 (1986), 151-160.

"A Simple Dynamic General Equilibrium Model," Journal of Economic Theory 41 (1987), 68-95.

"Implicitly Additive Utility and the Nature of Optimal Economic Growth," Journal of Mathematical Economics 15 (1986), 111-128.

"The Global Stability of Efficient Intertemporal Allocations," Econometrica 55 (1987), 329-355.

"The Unimportance of the Intransitivity of Separable Preferences," International Economic Review 28 (1987), 315-322.

“The Law of Large Numbers and the Attractiveness of Compound Gambles,” Journal of Risk and Uncertainty 1 (1988), 103-117, with Chew S. H.

“The Structure of Preferences and Attitudes Towards the Timing of the Resolution of Uncertainty,” International Economic Review 30 (1989), 103-117, with Chew S.

“Risk Aversion and Asset Prices,” Journal of Monetary Economics 22 (1988), 179-192.

“A Unifying Approach to Axiomatic Non-Expected Utility Theories,” Journal of Economic Theory 49 (1989), 207-240, with Chew S. H., “Correction and Comment,” 59 (1993), 183-188, with Chew S. H. and P. Wakker.

“Substitution, Risk Aversion and the Temporal Behaviour of Consumption and Asset Returns: A Theoretical Framework,” Econometrica 57 (1989), 937-69, with S. Zin. (Awarded the Frisch Medal 1994.)

“Non-Expected Utility Preferences in a Temporal Framework with an Application to Consumption-Savings Behaviour,” Journal of Economic Theory 50 (1990), 54-81, with Chew S. H.

“First Order Risk Aversion and the Equity Premium Puzzle,” Journal of Monetary Economics 26 (1990), 387-407, with S. Zin.

“Mixture Symmetry and Quadratic Utility,” Econometrica 59 (1991), 165-187, with Chew S. H. and U. Segal.

“Substitution, Risk Aversion and the Temporal Behaviour of Consumption and Asset Returns: An Empirical Analysis,” Journal of Political Economy 99 (1991), 263-286, with S. Zin.

“Stochastic Differential Utility,” Econometrica 60 (1992), 353-394, with D. Duffie.

“Quadratic Social Welfare Functions,” Journal of Political Economy 100 (1992), 691-712, with U. Segal. Reprinted in Amartya Sen: Critical Assessments of Contemporary Economics, J. Wood and R. Wood eds., Routledge, 2007.

“Asset Pricing with Stochastic Differential Utility,” Review of Financial Studies 5 (1992), 411-436, with D. Duffie.

“Habits and Time Preference,” International Economic Review 34 (1993), 61-84, with S. Shi.

“Dynamically Consistent Beliefs Must Be Bayesian,” Journal of Economic Theory 61 (1993), 1-22, with M. Le Breton.

“The Projective Independence Axiom,” Economic Theory 4 (1994), 189-215, with Chew S. H. and U. Segal.

“Intertemporal Asset Pricing Under Knightian Uncertainty,” Econometrica 62 (1994), 283-322, with Tan Wang.

“Uncertainty, Risk-Neutral Measures and Security Price Booms and Crashes,” Journal of Economic Theory 67 (1995), 40-82, with Tan Wang.

“A Revealed Preference Analysis of Asset Pricing Under Recursive Utility,” Review of Economic Studies 62 (1995), 597-618, with Angelo Melino.

“Beliefs about Beliefs’ without Probabilities,” Econometrica 64 (1996), 1343-73, with Tan Wang.

“Preference, Rationalizability and Equilibrium,” Journal of Economic Theory 73 (1997), 1-29.

“Least Convex Capacities,” Economic Theory 13 (1999), 263-286, with J. Zhang.

“A Definition of Uncertainty Aversion,” Review of Economic Studies 66 (1999), 579-608.

“A Revelation Principle for Competing Mechanisms,” Journal of Economic Theory 88 (1999), 119-160, with M. Peters.

``Are Probabilities Used in Markets?”, Journal of Economic Theory 91 (2000), 86-90.

“Subjective Probabilities on Subjectively Unambiguous Events,” Econometrica 69 (2001), 265-305, with J. Zhang.

``Sharing Ambiguity,” American Economic Review 91 (2001), 45-50.

``The Core of Large Differentiable TU Games,’’ Journal of Economic Theory 100 (2001), 235-273, with M. Marinacci.

``The Independence Axiom and Asset Returns,” Journal of Empirical Finance 8 (2001), 537-572, with S. Zin.

“Ambiguity, Risk and Asset Returns in Continuous Time,” Econometrica 70 (2002), 1403-1443, with Z. Chen.

``A Two-Person Dynamic Equilibrium under Ambiguity,” Journal of Economic Dynamics and Control 27 (2003), 1253-1288, with J. Miao.

``Recursive Multiple-Priors”, Journal of Economic Theory 113 (2003), 1-31, with M. Schneider.

``IID: Independently and Indistinguishably Distributed,” Journal of Economic Theory 113 (2003), 32-50, with M. Schneider

``An Axiomatic Model of Non-Bayesian Updating, Review of Economic Studies 73 (2006), 413-436.

``Ambiguity, Information Quality and Asset Pricing," Journal of Finance, forthcoming, with M. Schneider.

``Learning under Ambiguity," Review of Economic Studies, forthcoming, with M. Schneider.

``Mutual Absolute Continuity of Multiple-Priors,'' Journal of Economic Theory, forthcoming, with M. Marinacci.

SHORT ARTICLES IN REFEREED JOURNALS

"On the Recoverability of Intertemporal Preferences," Economics Letters 5 (1980), 11-14.

"A Correspondence Theorem Between Expected Utility and Smooth Utility," Journal of Economic Theory 46 (1988), 186-193, with Chew Soo Hong and I. Zilcha.

"Axiomatic Rank Dependent Mean Values," Annals of Operations Research 19 (1989), 299-309, with Chew S. H.

OTHER PUBLICATIONS

Impatience," three thousand word entry in The New Palgrave: A Dictionary of Economic Theory and Doctrine, J. Eatwell, M. Millgate and P. Neuman (eds.) Macmillan Press, 1987.

"Discussion of 'Substitution Over Time in Consumption and Work,'" in Value and Capital, Fifty Years Later, L. McKenzie and S. Zamagni eds., Macmillan, (1991), 268-278.

"Recursive Utility Under Uncertainty," in Equilibrium Theory in Infinite Dimensional Spaces, A. Khan and N. Yannelis (eds.), Springer Verlag, (1991), 352-369; with S. H. Chew.

"Behaviour Under Risk: Recent Developments in Theory and Application," in Advances in Economic Theory – Sixth World Congress of the Econometric Society, Vol II, J. J. Laffont ed., Cambridge U. Press, (1992), 1-63.

PAPERS SUBMITTED FOR PUBLICATION

``Coarse Contingencies," with M. Marinacci and K. Seo

``Non-Bayesian Updating: a Theoretical Framework," with J. Noor & A. Sandroni

``Cold Feet," with I. Kopylov

``Living with Risk"

EDITORIAL POSITIONS

Associate Editor, Econometrica, 1991-
Associate Editor, Journal of Economic Theory, 1991-
Associate Editor, Economic Theory, 1993-2005
Associate Editor, Journal of Risk and Uncertainty, 1988-
Associate Editor, Macroeconomic Dynamics, 1997- 2001
Member of the Editorial Board of the Canadian Journal of Economics, 1982-85.

REFEREEING

Canadian Journal of Economics, Econometrica, International Economic Review, Journal of Econometrics, Review of Economic Studies. Quarterly Journal of Economics, Journal of Economic Theory, Mathematical Social Sciences, Journal of Finance, Scandinavian Journal of Economics, Journal of Money, Credit and Banking, Social Sciences & Humanities, Research Council of Canada, National Science Foundation, Management Science, Operations Research

OTHER PROFESSIONAL SERVICE

Member of Executive Council of Canadian Economics Association, 1987-1990.
Member of Fellows Nominating Committee of Econometric Society, 1995 and 1999.

PH.D. THESIS SUPERVISION

Shouyong Shi, 1991, now at U. Toronto
Susheng Wang, 1991, Hong Kong U. Science and Technology
Chenghu Ma, 1992, Essex University
Tan Wang, 1992, U.B.C. Finance
Kin Chung Lo, 1995, York University
Jiankang Zhang, 1998, Carleton University
Jianjun Miao, 2003, Boston University
Igor Kopylov, 2003, UC Irvine

Takashi Hayashi, 2004, U. Texas at Austin
Jawwad Noor, 2005, Boston University
Norio Takeoka, 2006, Ritsumeikan University
Kazuya Hyogo, 2007, Ryukoku University
Spyros Galanis, (co-supervisor) expected June 2007, Southampton U.
Youichiro Higashi, expected completion June 2008
Kyoungwon Seo, expected completion June 2008
Asen Kochov, expected completion June 2009
John Stovall, expected completion June 2009

RESEARCH GRANTS AWARDED

Connaught Fund ($11,816), November 1979, Dynamic Factor Demand Functions: Theory and Estimation.

Social Sciences and Humanities Research Council (SSHRC) Sabbatical Leave Fellowship, 1984-5.

SSHRC research grant ($19,640), Feb. 1985, Nonparametric Testing of Economic Hypotheses; joint with A. Yatchew.

NSF research grant ($45,000 U. S.), August 1986, Nonlinear Preference Theory and Temporal Decision Making Under Uncertainty, joint with Chew Soo Hong.

SSHRC research grant (23,250), 1987-1989, Choice and Behaviour Under Uncertainty.

SSHRC research grant ($81,000), 1989-1992, Recursive Utility, Risk Aversion and Issues in Stochastic Capital Theory.

SSHRC research grant ($74,000), 1993-1996, Choice Under Knightian Uncertainty: Theory and Applications.

Connaught Research Fellowship, University of Toronto, 1994-5.

National Science Foundation award SES-9972442 ($186,500), 1999-2002: Ambiguity: Meaning and Applications.

National Science Foundation award SES-0611456 ($147,513), 2006-2009: Coarse Contingencies