The Boom Was Real, Until It Wasn’t

A Sudden Decrease in the Marginal Efficiency of Capital

By Gregory P. Nowell
In Praise of Intellectual Diversity

Everyone knows what diversity means when the word is used in an organizational context. We usually think of the diversity of personnel in terms of gender, race, ethnicity and other personal attributes. In higher education, it is also important to have intellectual diversity – variety in disciplinary perspectives, the methods used by investigators when they do research, and the substantive areas of specialization such as economics, history, political science, sociology and psychology, to name a few. For a public affairs school, diversity is very important and I am proud to say that at Rockefeller College of Public Affairs and Policy, intellectual diversity is one of our hallmarks. This is exemplified by the local to global reach of our faculty and the course offerings in our six degree programs. Student interests are similarly broad and span local government, state government and intergovernmental relations, and public policies including trade, health, education and homeland and international security. Meanwhile at the College, students and faculty in the field of political theory study and write about timeless issues that confront the body politic.

This issue of the Rockefeller College of Public Affairs & Policy News Magazine highlights our intellectual diversity. The local to global graphic featured at the center of the magazine shows you the breadth of research activity that goes on at the College, and you have to admit that it is truly impressive. Where else can you find studies of traffic safety, gender disparities, social movements in Southeast Asia, trade policy, international sanctions, and terrorist networks, plus a fresh look at the philosopher John Locke, all under one roof? Well, actually there are several roofs since Rockefeller College is spread out all over the city of Albany. The brief articles and profiles further showcase the heterodoxy of the College from inquiry into the politics of food, to procedural justice and homeland and international security. Meanwhile at the College, students and faculty in the field of political theory study and write about timeless issues that confront the body politic.

You can reach me at jstraussman@albany.edu.
Reopening Locke: Rockefeller College Scholar Takes a Fresh Look at the Great Political Thinker

Hundreds of years of scholarship on John Locke, the brilliant 17th century English thinker who profoundly influenced the American founding fathers, have solidly established the conventional wisdom on the man and his work. Nevertheless, new insights into the philosopher are being offered by Torrey Shanks, assistant professor of political science.

An icon of the Age of Enlightenment, John Locke is responsible for such cherished concepts as rule of law, government by consent, and natural rights. Shanks’s fresh look at Locke yields a new interpretation of the social contract and reveals the philosopher not only as a master of reasoned political and social thought, but also as a skillful rhetorician who engaged the political imagination of the people. “One of the things I like about studying Locke,” explains Shanks, “is that over the last three centuries many people have written about him. He is such a shared area of conversation. I’m trying to introduce a less familiar version of somebody who’s taken for granted.”

Professor Shanks is currently working on a book that builds on the doctoral dissertation she completed at Northwestern University, Political Imagination and Thought of John Locke. Shanks holds that Locke understood that significant political change relied not just on new theory, but also on the ability of the people to imagine themselves anew, as citizens with rights, living equally under the law, and under a government of limited authority. She suggests that to effect this change in psyche, Locke, using rhetoric and satire, presented ideas to different audiences by weaving together diverse traditions of thought and integrating them into a new political self-understanding — enabling subjects to imagine themselves living with rights under law. Professor Shanks sees a Locke who uses language and political argument familiar to ordinary people “in interesting and innovative ways.”

She also acknowledges “two faces of Locke”— celebrator of liberty yet proponent of authority, wealth, and property rights. For Shanks, this dichotomy reflects the different audiences Locke wished to reach. “Locke can be associated with some of the best and worst in American political culture, so that certainly speaks to his influence,” she notes.

“Examining his texts is about ‘critical inheritance,’ meaning these ideas we’ve inherited from Locke are influential; we need to question them. I’m arguing that there’s something new and better to find in these deeply familiar ideas.”

Torrey Shanks hopes to complete her manuscript by year’s end, but her work on Locke will continue. Next, she’ll focus on Locke’s arguments for religious toleration. She’s also eager to dive into the work of other great writers and philosophers of the early modern period. “I’m excited to find important elements of political imagination in Locke, but I think there are richer texts out there that I want to explore.”

“It’s a pretty hard claim to make that after 300 years I have a new interpretation of Locke’s social contract but that’s what I’m trying to do.”

—Torrey Shanks
With his new spring offering, The Politics, Economics, and History of Food, Rockefeller College Political Science Professor David Rousseau has found a way to whet undergraduates’ appetites for debate about important food-related public policy.

“Everything about food is political,” asserts Rousseau. “How we define organic is political. What the food pyramid looks like is political. People’s purchases have political implications. When they buy fair trade, that’s a political statement. I just thought it would resonate more with students if we talked about these topics over dinner.”

Among other issues the professor serves up for consideration during the 12-week course are: sustainable agriculture, genetically modified foods, obesity, commodity prices, and food labeling. “Hopefully, the meal is an anchor that will help students remember this material for a long time and a web to help them see how all these things are connected,” he added.

Helping to make the nexus stronger is a unique collaboration between academia and the culinary arts. In preparation for the course, the international relations expert joined forces with the University at Albany’s dining services provider, Chartwells, to plan menus related to policy areas — regional, national, and global — covered in the syllabus. Each week, Chef Ryan Poole was tasked with preparing a meal that inspired discussion on the issue at hand. Students were introduced to foods from all over the world including Ethiopia’s national dish, a spicy chicken concoction called Doro Wat; Platillo Moros y Cristiano or Cuban rice and beans; Aloo Keema, a meat and potato curry from India; Bacalao, or salt cod from the Basque region; and winter corn chowder and corn, zucchini and tomato pie, two Native American specialties. “Chartwells’ Chef Ryan Poole has a million things to do but he made time to participate. I’d love to have the chef there every week making dinner right in class,” remarked Rousseau.

David Rousseau uses a team-based learning approach that divides the class into groups or “dining tables” to achieve his primary objective — teaching students about argumentation. Working in groups, students research policy issues and begin to develop debating skills that they’ll be required to call upon when their team goes head-to-head with another during one of Rousseau’s scheduled in-class debates. The Patroon Room dining area in the UAlbany Campus Center becomes a makeshift classroom for the semester where students gather to enjoy a bite, test their knowledge, hear from guest speakers, and practice their powers of persuasion with fellow dining table members.

“We don’t tell them which side of the debate they’re going to argue until the toss of the coin when they come in,” explains Rousseau. “It forces them to be able to argue both sides and then come to a conclusion. It’s active learning through students teaching other students. I push them pretty hard. They don’t want to let their teammates down.”

Professor Rousseau admits the class is “very demanding,” and incorporates elements that “make people uncomfortable.” Still and all, scores on student evaluations have been high. “The course is fascinating to me because I am writing my honors thesis on a food policy issue,” said Becky Puritz, one of 21 undergraduates who signed up to take the initial spring 2010 offering of The Politics, Economics, and History of Food. “I definitely think the communal dinners aided in my enjoyment of the class and in my relationship with my teammates. It feels informal, like having dinner with my friends.”

David Rousseau is optimistic that his out-of-the box approach will benefit students in the long run. “My hope is that five years from now they can make an argument about something important in their life or for their community. They’re not going to remember what the food pyramid is five or six months from now, or five years from now, but if you teach them how to critically think, how to collect information, how to make a choice, you’ve achieved an important goal.”
In 1936, Keynes attributed economic crises to “a sudden decrease in the marginal efficiency of capital.” This sentence is at the heart of the current recession, so let us untangle its current relevance. Today’s financial wizards made a simple choice to chase an increasing volume of fees by making loans to people with less money and questionable credit histories. In doing so, they created a boom just before they created a bust.

Finance is organized on a mass production basis, like McDonald’s. If I put 99 cents into making a hamburger and sell it for $1, the common wisdom is that I have made a 1 percent profit. But if I roll 99 cents into a bun and meat to sell tomorrow, and sell it again, and do that all year, I make one penny 365 times. My annual rate of profit on 99 cents tied up in hamburger meat and buns is therefore 365 pennies or slightly more than 365 percent.

The same point applies to finance. If I set up a credit card operation, I pay merchants 98 cents on every dollar they bill me for customer transactions. I collect from my cardholders the full amount and net 2 cents on every dollar. That is roughly a 24 percent rate of return on the capital I use to finance merchant transactions. In the housing market, if I advance $200,000 against the purchase of a house, I collect $10,000 in fees, and sell the mortgage to investors. I get my $200,000 back, and next week, repeat the operation. In 52 weeks, I earn $520,000 in fees on $200,000 in capital, or nominally 260 percent annual return — though we are abstracting out many costs.

These examples suffice to show that modern consumer finance is essentially the same as modern fast food: profit depends hugely on volume, and markups that seem small measured against the value of a single transaction become large over the course of a year.

A Sudden Decrease in the Marginal Efficiency of Capital

By Gregory P. Nowell

Gregory Nowell is an associate professor of political science at Rockefeller College of Public Affairs & Policy. His areas of specialization include international relations and international political economy. Professor Nowell is the author of Mercantile States and the World Oil Cartel (Cornell University Press, 1994)
Pushing For More Customers

How do we maintain sales volume in finance? We can put people into exotic mortgages that force them to refinance in a few years. That guarantees a new stream of fees. Also, we have to find ways to bring new people into the market because, try as they might, consumers can’t get into the mood for a new house as quickly as they can get into the mood for their next meal — so banks need new customers.

The financial industry sought customers of lower income and (not always the same thing) lower creditworthiness. And, it had to convince investors that these higher risk loans were worth buying. Borrowers were airily assured they could lose nothing so long as home values rose. Hand waving and statistical modeling assured investors, who bought these mortgages in bundles worth billions, that default rates were statistically certain to stay within predicted values. Everyone knows some customers won’t pay their loans. But the predicted rates of default proved wrong, and the high volume finance business model crashed.

The Boom Was Real, Until It Wasn’t

If we keep our sense of the economy static, we see that more risk was being assumed because banks were lending to people who were intrinsically less disposed to pay and, in many cases, tricked into commitments they did not understand. That is our common sense of the crisis, and calls for regulation are meant to correct that tendency. But the economy is interactive, not static. Lending, even to people who prove ultimately to be bad risks, increases their spending. This is a real boost in the income of everyone in the economy. It leads to real jobs, and having jobs lifts more people into creditworthy status. Employment creates demand for goods and rising prices. Rising prices and easy credit invite speculation. We had worldwide commodity bubbles in oil, ores, and food, as well as real estate, just before the collapse of the banking system.

Speculative pressure on prices means that people who are solvent under static (“all else held equal”) economic assumptions become insolvent as food, fuel, and other prices rise faster than incomes. This has an impact on the default rate that was not foreseen in the hand waving models. Alarme investors ceased to buy from banks the bundled mortgages they were grabbing up a year earlier. In addition, the defaults caused losses on the books of the banks and related institutions. As the finance industry tried to cover its losses, it drew down funds used to lend to other sectors of the economy. New car loans, student loans, ordinary credit card operations and business loans were slowed or halted to patch up the holes in the mortgage portfolio. Unemployment rose broadly and sharply in the economy.
People who were already under pressure due to rising commodity prices (gasoline and food) are now also out of work, and they too have become candidates for loan defaults. Sectors which have nothing to do with housing are in retreat. Detroit was already suffocating from high fuel prices when the cutoff of new car lending rolled over the automakers like an avalanche.

Walking Off The Cliff

So “a sudden decrease in the marginal efficiency of capital” happens this way: the first 10 million loans are conservative. The second 10 million loans are a bit riskier but are based on business sense. The third 10 million loans are made with an expert’s eye to managing known risks. The fourth 10 million loans might work out if “current conditions prevail.” The banks move through these tiers of creditworthiness because they are eager to keep up the high volumes that are their life blood. But current conditions don’t prevail, and the predicted rate of loss on loans is swamped by the actual rate of loss. Investors panic, which compounds losses even further. The system adjusts by choking off new loans; unemployment is the immediate consequence and rockets the loan default rate higher. Bankers were making money with their first 10 million loans, and their second, and their third. But they discovered, in the fourth, that they had walked off a cliff with a mob of like-minded cartoon characters. So long as all agree that all is well, they walk on air. When they look down, they all fall, and everything they do to prevent the fall makes them fall faster.

“
We can run a speculative economy in housing among the well-off, but the less well-off need better quality of life and financial security more than they need to be lured into, then evicted from, McMansions.”

Income Inequality: The Weakness That Banking Regulation Will Not Cure

Now I certainly will not discourage banking regulation as one cure to the marginal-efficiency-of-capital cliff. But such regulation, by slowing down lending, also slows down real economic growth, and buys stability with higher unemployment. I am not one who believes that higher permanent rates of unemployment are a good trade-off for boom-bust cycles—nor was Keynes. The real issue underlying the housing bust is that a suburban...
finance model that works fairly well for the 20 percent of the country which takes home 50 percent of the aggregate income, does not work well—and even becomes brutally exploitative—when the need for more business drives lenders into the 80 percent of the country that divides the remaining 50 percent of the income.

“We can run a speculative economy in housing among the well-off, but the less well-off need better quality of life and financial security more than they need to be lured into, then evicted from, McMansions. Income-appropriate housing strategies and stabilizing family incomes against catastrophic losses [unemployment, medical] would make the financial lives of the less well-off not only more secure, but more predictable. That means a business and lending environment with less risk and less opportunity for speculative predation.

Capital’s marginal efficiency—its ability to generate profit—is linked to the volume of sales, and sales are determined by the size of the market. The size of the market is determined by the distribution of income. The current crisis reveals the social character of income and investment. Although public anger focuses on individual bankers and their bonuses, the social structure of income inequality, and the irrational investment decisions that result, could stand greater scrutiny. Secure communities require stable sources of finance for housing, but they also need stable sources of employment, protection from medical catastrophe, and some protection from the predation of commodity speculation. The financial crisis makes plain that our society is critically weak in all these domains. And that is why we remain vulnerable to a “sudden decrease in the marginal efficiency of capital.”

“People who were already under pressure due to rising commodity prices (gasoline and food) are now also out of work, and they too have become candidates for loan defaults.”
Policy Research Focus

- International
- State
- U.S.
- Local

For more information on Rockefeller College's local to global research, turn to page 12.
“Where else can you find studies of traffic safety, gender disparities, social movements in Southeast Asia, trade policy, international sanctions, and terrorist networks, plus a fresh look at the philosopher John Locke, all under one roof?”

— Dean Jeffrey D. Straussman
International


SUNY Center for International Development. *Afghanistan Parliamentary Assistance Program,* (technical assistance project).

SUNY Center for International Development. *Serbian Separation of Powers Project,* (technical assistance project).

SUNY Center for International Development. *Strengthening Legislative Capacity in Jordan,* (technical assistance project).


U.S.


State

Cruz, Jose (2009). Latinos in New York State: Demographic Status and Political Representation, (study report).


Professional Development Program. Using the Web to Train the Public Health Workforce, A Project to Build Web-Based Training Courses for Health Care Workers, (study report).


Local

Center for Legislative Development. Building Effective Local Governments in Lebanon, (ongoing USAID-supported project).


Q: What are you working on now?
A: All the projects I’m working on right now tie together under the idea of building trust in public organizations. I’m also interested in civil service reform efforts, that is, efforts to change the rules under which government employees are managed. At both the federal and state levels, there has been a lot of reform over the past decade. These reforms are impacting trust in the workplace, not necessarily in a positive way. My current project on civil service reform is looking at the Securities and Exchange Commission. Over the last eight to 10 years, they’ve been given authority to redesign their personnel system, in the middle of all these financial sector crises. They’ve been implementing changes. Some of them have not worked out so well. Employees unionized in the middle of the changes. The unions filed complaints about the performance appraisal system. The agency lost and they had to redesign their system. For now, I’m trying to detail what actually happened during the reforms.

Q: What other projects do you have in the pipeline?
A: I’m starting a new project examining the link between performance appraisal systems, perceptions of fairness, and organizational performance. I recently acquired a dataset on federal performance appraisal systems, which have been dramatically reformed in many agencies over the last decade, and I’m using more federal employee survey data. Appraisals are important tools for holding government employees accountable, and managers often have a very difficult time doing them — if they invest any time at all. However, we know very little about the content of the systems and how appraisals impact other important outcomes. Everyone claims that if we hold civil servants more accountable, all the problems of government will be fixed. I question that argument, but until now we had no data to make an effective case.

A third project focuses on labor relations more broadly. Going back to the civil service reform efforts, when Homeland Security was created and when the Department of Defense was given its personnel flexibilities, they were both given broad authority to change the labor relations rules. Both reform efforts have failed and the laws giving them authority to redesign their personnel systems have been revoked. The argument was that unions got in the way of management, but there’s no systematic evidence to document that. It’s all anecdotal. It’s all political rhetoric. My interest is to do systematic research on labor management to understand if unions impact performance and how.

Q: Why is this research important?
A: There are a lot of really esoteric personnel management issues out there that really only 10 or 15 people would care about. But I really think that issues of fairness and trust are issues everybody can relate to. We all want to be treated fairly by our supervisors. We all want to be in a work environment where we trust our colleagues and we trust our supervisors. That makes us more effective employees. That makes us feel valued. That’s why I chose this topic. So we can have a structured way to talk about these issues.

Q: Does working at Rockefeller College offer you any special advantages in terms of your research?
A: Part of the challenge in the field of public administration broadly, is that personnel management as a field of study is neglected and gets short shrift. There are very few people who actually focus their research on personnel issues entirely as opposed to broader management questions. One reason I’ve been happy here is because research on personnel issues is valued. Focusing on personnel is particularly valued. Being in Albany creates a unique opportunity to do this because we have the state agencies and union leadership all together here and they are eager for help because they have a lot of challenges and are not sure how to narrow them down. I’ve been slowly building that network and it’s already bearing fruit.
The quiet and well-dressed gentleman of Rockefeller College is at once a local legend and an enigmatic figure. With his northern New England accent and dignified bearing, Joseph Zimmerman, professor of political science, is recognized for his work ethic, his longevity at Rockefeller College, the red ink spilled over generations of student papers, and for his encyclopedic knowledge of federalism and intergovernmental matters. But few of those who can readily share such observations about Professor Zimmerman are aware of the scholarly achievements he has earned over a long and distinguished career.

Professor Zimmerman has garnered national recognition for his thoughtful studies of both popular and esoteric topics in federalism, and for his consistently high level of scholarly productivity. Reviews of his work reference Zimmerman’s status among scholars of federalism. For his volume Congressional Preemption, one reviewer remarked, “Zimmerman is without a doubt among the leading scholars of federalism. He provides no less than a brilliant insight into a ‘hidden’ development of federalism…” Another individual concluded her review by noting that “Congressional Preemption should be high on the reading lists of any serious federalism or regulatory policy scholar.” The communities of political science and public administration scholars clearly share such sentiments. In 1997, Zimmerman was awarded the Donald C. Stone Award for Outstanding Academician from the American Society for Public Administration, and in 1999 he received the American Political Science Association Award for Distinguished Federalism Scholar. Zimmerman is in illustrious company, sharing the Stone Award with academic notables that include Deil Wright, Daniel Elazar, Martha Derthick, Thomas Dye, and Robert Agranoff.
Joe has a consummate knowledge of New York State politics and has been an invaluable resource to his colleagues, many of whom were new to the state, the East Coast, and to the issues.” Zimmerman’s recall of institutional activity was also noted. “I was always impressed by Joe’s institutional knowledge,” observed a colleague. “As the department has included younger and younger faculty, he has become an invaluable resource. There is not a person here who has a greater institutional memory.” A former doctoral student agreed and observed, “No other individual on the faculty or staff can match the institutional memory he possesses. He can personally recount the hiring of every faculty member currently serving in the department. And this memory is not merely a function of his physical presence, but of his active participation in the life of the College and in his respect and love for people.”

Professor Zimmerman can be equally proud of the loyalty he has engendered among Rockefeller College graduates who earned their degrees under his tutelage. “Mr. Zimmerman,” as he introduces himself, or Joe Z, as his doctoral students fondly refer to him, displayed “an unending commitment to training the next generation of scholars,” wrote Jordan Wishy, PhD graduate of Rockefeller College, and Brian Nickerson, Dean of the College of Arts and Sciences at Iona College, and a former doctoral student, in a joint statement. The pair added, “Ever available to students he mentored, [Professor Zimmerman] nurtured their progress through a combination of access, personal connection, scholarly insight, and uniquely swift response to their writing submissions. In contrast, many graduate students waited months for faculty review of their research. For Joe Z’s students, the difficulty was keeping up with him.”

This fall, as the venerable Mr. Zimmerman conducts his classes and collects research papers to read in preparation for his next book, he will continue to add new pages to his legacy. Carry on, Joe Z.

Mr. Zimmerman Looks Back

Q. What spurred his interest in an academic career?

A. Joe jokingly replied that his interest began courtesy of his rich Uncle Sam. While serving in the military during the period in which the Air Force separated from the Army Air Corps, Joe became a training officer. The experience of working in a new organization, with few traditions of its own, got him thinking about how one teaches effectively and creates standards. He found that he enjoyed teaching and decided to pursue his doctorate when his military service ended.

Q. At what point in his academic life did Joe become interested in the public sector?

A. It seems that the call to civic life began early and has continued unabated. Joe was active in civic affairs as a youth, and in 1947, while still a high school student, he helped start the Keene (NH) Civic League. With his Civic League partners, Joe made his first foray into public affairs to advocate for a city manager form of government in place of the weak mayor structure that existed in Keene.

Joe then served in the military, finished his doctorate, and began teaching in Massachusetts. While a professor at Worcester Polytechnic Institute and Clark University, Joe served as a consultant to four governors, helping the state develop strategies for economic development and peaceetime use of atomic energy. He also worked with local governments on neighborhood development and government structures while teaching in Massachusetts. Joe joined the faculty of the Graduate School of Public Affairs (precursor to Rockefeller College of Public Affairs & Policy) in 1965, and began a new period of public service with successive governors and legislative entities in New York State.

Q. Which accomplishments were particularly satisfying?

A. Joe mentioned a range of career highlights for which he is justifiably proud. These include his scholarly recognition by both the American Political Science Association and the American Society for Public Administration, being cited in numerous Supreme Court decisions (one as recently as June 2010), and his public service achievements. In particular, Mr. Zimmerman noted three public accomplishments: helping officials in Massachusetts develop strategies that led to development of the electronic highway outside Boston, his role as Director of the Massachusetts Atomic Energy Commission; and his role in New York State in helping ease air traffic congestion in New York City through the purchase (from the military) of the airfield that is now Stewart International Airport.
Faculty News

This past spring, Associate Professor Mitch Abolafia was invited to speak at Oxford University Law School on “Socializing Economic Relationships: New Perspectives and Methods for Transnational Risk Regulation.” In May, Mitch delivered the keynote address on “Re-embedding Finance” at the University of Paris before returning to London to speak at a conference organized by derivatives traders to discuss the market meltdown in June.

Distinguished Service Professor David Andersen and his wife, Associate Professor Deborah Andersen from the College of Computing and Information, are in Mexico as Fulbright Scholars studying supply chain dynamics associated with the production and distribution of coffee as a commodity within the North American Free Trade Alliance (NAFTA) region.

Distinguished Public Service Professor Paul Castellani just returned from a Fulbright Specialist Fellowship at Leiden University, The Hague where he taught a master’s course on politics and bureaucracy.

Associate Professor Jose Cruz participated in a televised roundtable discussion on reapportionment and redistricting after the 2010 Census. The program, Destination Casa Blanca, New York Politics Edition, was hosted by New York Times journalist David Diaz and broadcast by HITN-TV. Professor Cruz also co-authored a report titled Workforce Development and Its Impact on Latinos in New York State with Jackie Hayes of NYLARNet. In addition, Cruz recently published “Changing Demographics and Representational Dilemmas: Latinos at SUNY and CUNY Meeting the Diversity Challenge,” included in SUNY at 60, and “Barriers to Political Participation of Puerto Ricans and Hispanics in Osceola County, Florida, 1991-2007” in Centro Journal.

Helen Desfosses, associate professor of public administration and policy, served as a strategic initiative speaker for the U.S. Department of State in Turkmenistan and Kyrgyzstan from March 27–April 4. Professor Desfosses led workshops on strategies for women’s leadership in politics, media, and nonprofits. Also in March, Dr. Desfosses conducted a videoconference on “Women’s Leadership: Arenas, Approaches and Opportunities” for non-governmental organizations (NGO) and activist professional women of Madagascar. At the Ninth Workshop of Parliamentary Scholars and Parliamentarians at Wroxton College, Oxfordshire, U.K., Professor Desfosses presented her paper “Promoting Legislative Receptivity to Greater Public Engagement: Concerns and Incentives.”


Visiting Assistant Professor Jennifer Fredette presented research on “The Limitations of Social Movement Theory” at the Western Political Science Association Annual Meeting in San Francisco in April and at the Law and Society Association Annual Meeting in Chicago in May. Professor Fredette was a guest speaker at the June 2010 Veiled Constellations Conference in Toronto where she addressed the need to consider the ramifications of media and academic obsessions with the Islamic hijab.

Assistant Professor Holly Jarman collaborated with Scott Greer on two publications in 2010: “Crossborder Trade in Health Services: Lessons from the European Laboratory” published in Health Policy and “In the Eye of the Storm: Public Servants and Managers in the U.K. Department of Health” for a special issue of Social Policy & Administration.

Professor Emerita Irene Lurie retired from the department of public administration and policy after 32 years of teaching, serving as acting dean, and directing the MPP and MPA programs. She is currently a senior fellow at the Rockefeller Institute of Government.

Assistant Professor Erika G. Martin’s article “Expanded HIV Screening in the United States: What Will It Cost Government Discretionary and Entitlement Programs? A Budget Impact Analysis” was published in the October 15, 2010 Value in Health. Martin also presented the paper at the Academy Health Annual Research Meeting in Boston this past June.

Professor Bruce Miroff delivered his paper “Leadership and the Tending of Coalitions” at a workshop on political leadership held at Oxford University in June 2010. The workshop was attended by scholars from Great Britain, Australia, and the United States.

Professor Robert Nakamura chaired a roundtable titled “Bringing It Home: Constituency Development Funds and Legislative Development,” at the 2010 Annual Meeting of the American Political Science Association (APSA) in Washington, D.C. Professor Nakamura also...
Yvonne D. Harrison has joined Rockefeller College of Public Affairs & Policy as assistant professor of public administration. Dr. Harrison comes to Rockefeller from the Center for Nonprofit and Social Enterprise Management at Seattle University, in Seattle, Washington where she supervised the capstone research project and taught courses in nonprofit governance and information management in government and nonprofit organizations.

“A number of factors led to my decision to come to Rockefeller College,” said Harrison. “Chief among them,” she added, “was the opportunity to work with nonprofit scholar Judith Saidel.”

Professor Harrison has conducted three international research investigations into the role and impact of chairs of nonprofit boards of directors as well as two national research studies exploring the impact of information and communications technology (ICT) on the management of volunteer resources in Canada’s nonprofit sector. Her research interests include modernization (from technological, global and organizational development perspectives), nonprofit leadership and effectiveness, and strategic partnerships and alliances. In addition to maintaining an ambitious research agenda, Professor Harrison is teaching public management at Rockefeller this fall.


Assistant Professor Patricia Strach has recently returned to Rockefeller College after completing two years as a Robert Wood Johnson Scholar in Health Policy Research at Harvard University.

Assistant Professor of Public Administration Stephen Weinberg and PhD candidate Samrat Bose received a $5,000 mini-grant from the W. E. Upjohn Institute for Employment Research for their project, “Welfare Magnets: Migration and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.”

On January 8, Professor Joseph Zimmerman delivered a paper at Oxford University titled “The Full Faith and Credit Clause: United the States.” Also in January, SUNY Press published the professor’s book Congress: Facilitator of State Action. Two more works are forthcoming: Regulating the Business of Insurance in a Federal System (Fall 2010) and Horizontal Federalism: Interstate Relations (Spring 2011). Zimmerman’s article, “The Interstate Agreement for the Popular Election of the President of the United States,” appeared in the April 2010 issue of the National Civic Review.

One of the prolific author’s books, The New England Town Meeting: Democracy in Action, was cited by U.S. Supreme Court Justice Antonin Scalia in a recent case before the court, John Doe #1 v. Reed.
Research Center News

Rockefeller College’s research centers, institutes, and partners conduct state-of-the-art research and policy analysis, improve the knowledge and skills of employees in public and nonprofit agencies through professional development, and work with government at all levels in the United States and abroad to enhance their ability to govern effectively.

SUNY Center for International Development (SUNY/CID)
The SUNY Center for International Development (SUNY/CID) recently launched a major project on constituency development funds (CDFs) by offering a series of workshops on the topic for academics and international practitioners. In July, Research Professor Mark Baskin traveled to the U.K. to present a paper on CDFs at the Ninth Workshop of Parliamentary Scholars and Parliamentarians. This past September, SUNY/CID organized a roundtable on CDFs at the annual meeting of the American Political Science Association. Also in September at the 56th Annual Conference of the Commonwealth Parliamentary Association in Nairobi, Kenya, Professor Baskin led a workshop on the role of parliamentarians in facilitating grassroots projects.

In the aftermath of the January 12, 2010 earthquake in Haiti, SUNY/CID’s project team displayed courage and resourcefulness in assisting in the rescue efforts and supporting the nation’s subsequent efforts to rebuild. Since 2006, CID has been working in Haiti to provide technical assistance to Parliament in order to develop the skills and capacity of its members and staff, and to strengthen the broader community. The CID team supported several crucial activities aimed at helping the Parliament connect with citizens in the wake of the earthquake.

Center for Women in Government & Civil Society (CWGCS)
The Center for Women in Government & Civil Society (CWGCS) launched its newest initiative, the Women’s Leadership Academy (WLA), on November 30, 2010 with State University of New York Chancellor Nancy Zimpher as host. WLA programming includes the Fellowship on Women & Public Policy, an intensive, semester-long leadership development program for graduate and post-graduate level students pursuing careers in public policy, and NEW™ Leadership New York, a week-long undergraduate leadership development program designed to encourage women to run for elected office.

Professional Development Program (PDP)
A number of projects developed by the Professional Development Program (PDP) were honored with awards this year. “The Tobacco Recovery Resource Enhance e-Learning Hub” and “Preventing Shaken Baby Syndrome,” an e-learning course, received APEX Awards of Excellence for Education and Training in the Electronic and Video Publications category. PDP also received a bronze award for a suite of online modules created for the “Tobacco Interventions Project” in the category of best practice in distance learning programming from the United States Distance Learning Association (USDLA).

The Project on Violent Conflict (PVC)
In partnership with the University of Arizona and the Consortium for the Study of Terrorism and Responses to Terrorism (START), the Project on Violent Conflict (PVC) has been awarded a grant from the Defense Threat Reduction Agency (DTRA). The grant is titled “New Analytic Methods for the Exploitation of Open-Source Structured Databases to Enhance Situational Awareness for Effective Counter-WMD Strategies.” Last January, the PVC team traveled to the International Center for the Study of Terrorism (ICST) at Penn State for continued work on “Bomb to Bombmaker,” a study of the Provisional Irish Republican Army’s use of and innovations in improvised explosive devices. In summer, the PVC staff presented their article “Lethal Combinations: Studying the Structure of Terrorist Networks” at the First International Conference on Cross-Cultural Decision Making in Miami.

Haiti’s Parliament (below and to the right) shows the devastating effects of the January 12, 2010 earthquake.
SUNY Center for Legislative Development (SUNY/CLD)

Under the Municipal Assistance Program funded by the United States Agency for International Development (USAID), SUNY/CLD in cooperation with the Ministry of Interior and Municipalities, held a workshop on July 5, 2010 at Mövenpick Hotel in the Raouche area of Beirut focusing on the provision of USAID assistance to newly established municipalities.

Intergovernmental Studies Program (IGSP)

Rockefeller College Assistant Dean and IGSP Director Sydney G. Cresswell has been named to Governor-Elect Andrew Cuomo's transition team. Cresswell will serve on the State and Local Government Reform Committee.

Center for Technology in Government (CTG), a partner of Rockefeller College

CTG Director Theresa Pardo was invited to participate in The IBM Center for The Business of Government Forum to examine the Obama Administration’s themes for a high performing government research agenda. The forum presented an opportunity for CTG to share its 15 years of expertise in advancing research and practice on the interaction of policy, management, and technology use at all levels of government. CTG researchers and officials from the NYS Office of the Chief Information Officer have also been working with local, state, and federal agencies to help agencies understand and navigate the political, policy, and management dimensions of increasing government openness in the digital age. Recently, CTG began a collaboration with the NYS Office of Cyber Security (OCS) to develop a comprehensive map of broadband Internet availability throughout New York State.

For more information on the activities of Rockefeller College’s research centers and partners, visit us online at www.albany.edu/rockefeller.

NYS Executive Honored by Rockefeller College

Executive Deputy Comptroller Mark P. Pattison of the Office of State and Local Government Accountability in the Office of the State Comptroller was honored by the Rockefeller College of Public Affairs & Policy during the 26th Annual John E. Burton Lecture & Distinguished Public Service Awards Ceremony at Page Hall on Tuesday, April 20, 2010.

The event, hosted by University at Albany President George M. Philip, honors individuals who have dedicated their careers to serving the people of New York. Lieutenant Governor Richard Ravitch, recognized during the ceremony by the University for his outstanding accomplishments, delivered the keynote address.

Describing Mark Pattison’s service to his community as “truly extensive,” Dean Jeffrey D. Straussman presented the deputy comptroller with the distinguished service award medallion on behalf of the College. The son of former U.S. Representative Edward “Ned” Pattison, Mr. Pattison recalled how his family had always placed great importance on helping the community. “I believe, despite what we hear today, that the spirit of public service is alive and well,” he noted. “I want to thank the University at Albany for maintaining this important tradition of celebrating public service, and Rockefeller College for considering me as their nominee. I am inspired by the award.”

Mark Pattison was appointed Executive Deputy Comptroller for the Office of State and Local Government Accountability on May 7, 2007. He previously served as the Deputy Comptroller for Local Government Services and Economic Development, and as Mayor of Troy, New York from 1996 through 2003. He worked at the Rensselaer County Chapter of the Association for Retarded Citizens for 20 years, including 12 years as its director, and served as vice-president of the City of Troy’s school board, president of Vanderheyden Hall, vice-chair of the Rensselaer County Regional Chamber of Commerce, chairperson of the Hudson Mohawk Heritage Area Commission and president of the New York State Association of Community and Residential Agencies. Mark Pattison was a trustee and faculty member of Rensselaer Polytechnic Institute in Troy, New York, and has served on several community boards, including the Center for Economic Growth and the Commission for Economic Opportunity.

The Burton Lecture is named for John E. Burton, who served as New York’s budget director under Governor Thomas E. Dewey from 1943 to 1950. Burton, who was credited with modernizing the state’s budget process, was a key member of the special committee that recommended the creation of the State University of New York System.
Rockefeller MPAs Named Presidential Management Fellows

Two members of the Class of 2010 have been named Presidential Management Fellows by the U.S. Office of Personnel Management (OPM). After receiving their MPAs this past May, Carmen Brick of New York City and Courtney Asker of Utica journeyed to Washington, D.C. to accept the prestigious title of Presidential Management Fellow and begin their careers in public administration.

The highly competitive Presidential Management Fellowship (PMF) Program provides paid fellowships with a number of federal agencies to outstanding recent graduates who have demonstrated excellence in their academic field and a strong commitment to public service. Participants are nominated by their schools and undergo a rigorous assessment process. Upon successful completion of their two-year fellowships, Brick and Asker, both public finance specialists, will be appointed to permanent positions within the federal government.

“The coursework at Rockefeller College has been particularly useful in helping me gain this fellowship,” said Brick, who has been tapped by the U.S. Department of Housing and Urban Development to be a financial analyst. “Also, being in a center of government, as you are while studying at Rockefeller College, provides a lot of opportunities for internships. I worked at Public Financial Management, a consulting firm run by a former New York State budget director and I interned at the New York State Assembly. There’s a wide range of opportunities here at Rockefeller,” added Brick.

“You’re on a career path as a fellow and have a target position that they’re training you for so it’s a little bit more of a mentorship,” explained Courtney Asker. “Instead of just starting in an entry-level job, you get more built-in benefits and support. It’s a way to start a career. I’ll be in the Strategic Planning Office for the Asia and Middle East Bureaus of the U.S. Agency for International Development working towards becoming a financial management specialist.

When reminded that fewer than 10 percent of this year’s applicants were selected as Presidential Management Fellows, Courtney Asker was quick to give much of the credit to her alma mater. “Rockefeller College prepared us well,” she replied.

Building a Better Intelligence Analyst

Michael Landon-Murray hopes the work he’s doing will help make the world a little more secure.

Midway through his doctoral studies in public administration and policy, Michael Landon-Murray is preparing to conduct research on how American colleges and universities have trained intelligence analysts over the last 25 to 30 years. “Being introduced to many new disciplines and fields having applicability to intelligence analysis while at Rockefeller made me realize there may be areas of knowledge an analyst needs to be strong in that are missing from educational programs currently available to those professionals,” said Landon-Murray.

His academic background supports his endeavor; he received his undergraduate degree from the University at Buffalo in political science and his master’s from the University of Pittsburgh in public and international affairs with a concentration in security and intelligence studies.

“There has been much study on intelligence analysis in general, for instance, on the more immediate causes of intelligence failures. My work has a somewhat different focus and will pose questions we have an obligation to examine such as what are we putting inside analysts’ heads and what tools do they need to bring to their work.” Mike sees a potential to reorient academia’s preparation of intelligence analysts and believes he can propose practical ways to incorporate more fields of study into the training. He plans to research current programs, examine curricular structure and content, and interview department leadership and professors, and other key stakeholders. Landon-Murray also aspires to study intelligence education back to the pre-Cold War period, examining program changes over the decades. Pointing to the enormous influence of the Cold War and 9/11 on policy and intelligence requirements, Landon-Murray observes that “we have new issues, we have new targets, we need new approaches.” His goal is to start a scholarly dialogue about the kind of education that will produce intelligence analysts who have all the tools they need to do their jobs well.

Michael Landon-Murray’s research dovetails nicely with the efforts of Rockefeller College’s highly regarded Homeland Security Studies program. He looks forward to working with Professors Karl Rethemeyer and Victor Asal, co-founders of the Project on Violent Conflict (PVC). Landon-Murray credits his mentor, Assistant Dean Sydney Cresswell, with helping him to focus his doctoral work and providing him with opportunities to do what he loves — marry the academic with the practical, which in this case may just make this a safer world.
MPA student Bridget Baker recently completed an internship at the NYS Assembly working for Professor Helen Desfosses.

Matthew Burns is in his final semester of the MPA program specializing in homeland security studies. Since November, Matthew has been serving through AmeriCorps as the liaison for New York State Voluntary Organizations Active in Disaster (NYSVOAD) at the NYS Emergency Management Office.

Kathy Dopp, a PhD student in political science, presented three papers at conferences: “Checking Election Outcome Accuracy: Post-Election Auditing Procedures” and “The Interplay of Constituent Makeup and Electoral Methods on Legislative Representation for Minority and Majority Groups” at the Midwest Political Science Association (MPSA), April 2010; and “Checking Election Outcome Accuracy: Post-Election Audit Sampling” at the Southern Political Science Association (SPSA), January 2010.

MPA student Tuuli Edwards has been actively involved in a Center for Technology in Government (CTG) research project, “Building a Sustainable International Digital Government Research Community.” Tuuli worked on a report that provided a baseline against which to measure the future development of internationally oriented digital government research. Tuuli also took part in organizing the 2010 iGov Research Institute held in The Hague and Delft, The Netherlands this past summer.

Earlier this year, MPA students Kate Gargiulo and Ryan Ashe were awarded Art Sist Fellowships by the SUNY Center for International Development. They both spent the summer in Africa as interns for CID. Kate was assigned to the Linkages Project in Uganda while Ryan interned with the Kenyan Parliament in Nairobi.


Niyousha Hosseinichimeh, a doctoral student in public administration, received the Excellence in Graduate Student Teaching Award in Spring 2010. Two of Niyousha’s papers were accepted for the 32nd Annual Association for Public Policy Analysis and Management (APPAM) Research Conference in Boston this past November: “The Effect of Massachusetts Health Care Reform on Emergency Department Use” (authored with Stephen Weinberg) and “To Lease or Not to Lease: That is the Infrastructure Question” (authored with Robert Purcell and James Fossett).

Rockefeller MPA student Jayson Kratoville recently completed an overseas internship in Athens, Greece for the U.S. Department of State.

MPA student Angela R. Lauria-Gunnink presented her research on “Social Networks, Fiscal Stress, and Cooperative Governance: Exploring Municipal Shared Services and Cost-Saving Opportunities in New York State” at a poster session at the American Society for Public Administration’s (ASPA) Annual Conference in San Jose, California.

In January 2010, doctoral student Taewoo Nam presented a paper titled “Whither Digital Equality?: An Empirical Study of the Democratic Divide” at the 43rd Annual Hawaii International Conference on System Sciences (HICSS) in Poipu, Kauai, Hawaii. Taewoo was a member of the Center for Technology in Government (CTG) team that recently developed and submitted a new research proposal to the National Science Foundation’s Science, Technology, and Society program. The proposed research focuses on studying how the growing capabilities and use of mobile technologies can be effectively channeled and implemented to improve the delivery of human services.

Pictured from top: Sist Fellow Kate Gargiulo; Ryan Ashe meets with United States Ambassador to Kenya Michael E. Ranneberger; Jayson Kratoville sightseeing during his internship in Athens; and doctoral student Niyousha Hosseinichimeh.
An Alumna Shares Career Lessons

If you ever doubted that a graduate program can launch a career and make you astute about professional achievement, just ask Martha Gagné. Martha, a federal employee in the Senior Executive Service and Assistant Deputy Director in the Office of National Drug Control Policy (ONDCP), Office of Demand Reduction, completed her MPA at Rockefeller College in 1991 and then embarked on a career with an enviable trajectory. Along the way, Martha learned valuable lessons about the skills, experiences, and choices that keep a career in motion.

According to Martha, her success began with her coursework at Rockefeller College and continued with a fellowship with the New York State Division of the Budget (DOB). The master’s program coursework got her into DOB and taught her critical thinking skills and the value of finding career mentors. On graduating, Martha’s work as a budget analyst in charge of the higher education portfolio at DOB gave her new analytic tools and a strong platform from which to move into a federal position. The federal government, Martha observed, considers New York a cutting-edge state, and “federal officials find it invaluable to hire individuals with state experience precisely because it is so difficult to know the impact of policy and implementation decision on states.”

After just one year at DOB, Martha was selected for a position with the Office of Management and Budget (OMB) in Washington. Her portfolio at OMB was considered a cross-cutting type, evaluating the effectiveness of the array of programs focused on drug control and treatment. Finding the work in drug policy matters to be important and professionally satisfying, Martha made it her business to learn how to move into more central policy and management positions in government. “I found that often you have to leave federal government in order to move up in it,” Gagné shared. Her mentors understood that the federal government selects individuals for senior policy positions that have the seasoning afforded by multi-sectoral and cross-national experience. Senior officials need to know how to work effectively across boundaries, cultures, and organizations.

With this advice in mind, after three years, Martha left her position in OMB and moved into the nonprofit side of drug addiction matters, taking a position with Phoenix House, the nation’s largest nonprofit provider of alcohol and drug addiction treatment. Here Martha learned another formative lesson, the importance of understanding who you are serving and what it feels like to be the client receiving services. The orientation program for Phoenix House employees begins with an unvarnished, two-day stint in a drug treatment program, and the experience provided her with vivid insights about the human process and the service provider’s responsibilities.

After becoming Director of the American Council for Drug Education within the Phoenix House organization, Martha moved to an international position as Deputy Director of the Drug Abuse Resistance Education Program (D.A.R.E.) in their European offices, where she focused on the demand reduction aspect of drug control efforts. Three years later in 2001, Martha returned to federal service and ran a corporate initiative out of the White House drug policy office’s anti-drug media campaign. Martha is rightfully proud of having helped lead the effort that created the largest publicly funded social marketing media campaign, The National Youth Anti-Drug Media Campaign. This effort produced the Anti-Drug brand, which has brand recognition comparable to that of Coke™ and Pepsi™. In 2006, Martha entered the Senior Executive Service (SES), the arm of government that represents continuity in the event of a disaster, sudden changes, and administrative transitions.

Though it may seem that having reached her current position Martha has achieved all of her career goals, this is not the case. Martha has an ongoing agenda which, providentially, includes a role as an advisor to Rockefeller College, ensuring that generations of students will benefit from her wisdom and experience.
Alumni News & Notes

Michael Christakis, MA ’03, PhD ’05
currently assistant vice president for the Division of Student Success at the University at Albany, has been elected to the Board of Directors of the State Academy for Public Administration.

Rockefeller alumna Ophelia Eglene, PhD ’07 awaits the forthcoming publication of her dissertation, Banking on Sterling: Britain’s Independence from the Euro Zone. Dr. Eglene is a member of the faculty of Middlebury College.

Formerly a consultant for the Town of Rye, NY, John D. Goodwin, MPA ’09, accepted a position with the Village of Scarsdale this past spring.

Russell Hassan, PhD ’10 has joined the John Glenn School of Public Affairs at Ohio State University as assistant professor. His research primarily focuses on the role of work climate on employees’ work motivation, commitment and performance in government and nonprofit organizations.

In his third year as a manager in the Health Analytics Department at Excellus BlueCross/Blue Shield in Syracuse, Christopher Kidder, MPA ’05, has been working on developing proactive analytics for his company in the wake of the recent health reform legislation.

Congratulations to Rockefeller alums Soonhee Kim, PhD ’98 and David Van Slyke, PhD ’99. Soonhee and David, both associate professors at Syracuse University’s Maxwell School, were each honored recently for their contributions to the field of public administration. Soonhee is this year’s recipient of the Julia B. Henderson Award given by the American Society for Public Administration (ASPA) to a woman who has demonstrated her commitment to international public administration. David, whose research interests include public-private partnerships, government contracting, and strategic management, was elected as a fellow of the National Academy of Public Administration (NAPA).

Michael A. Rinella, PhD ’97 is the author of Pharmakon: Plato, Drug Culture, and Identity in Ancient Athens, recently published by Lexington Books. Dr. Rinella is an instructor of political theory at Empire State College’s Center for Distance Learning.

Anna Raup-Kounovsky, MPA ’10 is putting her newly acquired degree to good work in her research with the team at the Center for Technology in Government.

UNC Asheville recently welcomed new faculty member Michael Stratton, MPA ’03, PhD ’06 to the department of management and accountancy. In June, Mike received the New Educator Award from OBTS, the teaching society for management educators. His article “Uncovering a New Guilty Pleasure: A Qualitative Study of the Emotions of Personal Web Usage at Work” will be published in the Journal of Leadership and Organizational Studies in Fall 2010.

Jennifer Roman ’10 is working as a Graduate Healthcare Administration Training Program (GHATP) Fellow at the VA Healthcare Network Upstate New York in Albany.

Two Rockefeller College alums were instrumental in planning the System Dynamics Conference in Seoul, South Korea, July 25–29. Tae Hoon Moon, PhD ’92 was international program chair while fellow alum Doa Hoon Kim, PhD ’85 played a central role in overall organization for the event.

Brittany Turner, MPA ’10 is working at the New York State Archives on a National Historical Publication and Records Commission (NHPRC) funded project about archival security, theft prevention and replevin for historical records and repositories, including governments. Brittany began her MLIS through the University of Alabama online cohort this fall.

Pictured from top: Michael Christakis ’03, ’05; Jennifer Roman ’10; Soonhee Kim ’98; David Van Slyke ’99; Russell Hassan ’10; and Rockefeller alums and friends enjoying a mini reunion at the International Conference of the System Dynamics Society in Seoul, South Korea this past July.
Now there’s a convenient way to update your contact info and share your news with fellow alums. Rockefeller College’s Office of Career & Alumni Programs invites you to take advantage of a new online form that makes staying in touch quick and easy. Have a new job? Recently been promoted? Maybe you’ve just received an award or published an article or book. Weddings, babies, new address, interesting travels? We’d love to hear what you’re up to.

At Rockefeller, we’re very proud of our alumni and rely on them to help make our special events and programming meaningful for students. “It’s important for alumni to stay involved with the College as mentors or volunteers, as it provides a legacy for current and prospective students,” explains Jennifer Williams, director of internships and career programs. The College needs alums to participate as guest speakers at career workshops and networking events; share news about job or internship opportunities; and serve as the point of contact for students interested in learning more about careers in public affairs through an informational interview. Our new online form makes it easy to choose the volunteer or mentoring opportunity that’s right for you.

Stay connected by visiting Rockefeller College at [www.albany.edu/rockefeller/career.shtml](http://www.albany.edu/rockefeller/career.shtml).