

## UC San Diego Creates Endowed Faculty Chair to Honor Robert Engle, Economics Professor Emeritus and Nobel Laureate

November 13, 2008

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For Ken Kroner, managing director of Asset Allocation Research at Barclays Global Investors in San Francisco, one economics professor had an especially profound impact on his life: UC San Diego Professor Emeritus and 2003 Nobel Laureate Robert Engle.

"Rob was my Ph.D. advisor and I credit a lot of my success to him," said Kroner, Ph.D., '88. "My wife, Jennifer, and I thought making a gift to establish an endowed chair in his name would be a great way to honor him."

Thanks to the Kroners and a core group of donors, most of whom were UC San Diego alumni and former students of Engle, the *Robert F. Engle Endowed Chair in Econometrics* has now been established at the University of California, San Diego. This is the university's first named endowed chair in economics, and will help recruit or retain key faculty to the Department of Economics in the Division of Social Sciences. The department is world-renowned as a powerhouse in econometric theory, a sub-discipline of economics which uses quantitative techniques for economic forecasting. The ability to recruit stellar new faculty will help maintain the department's ranking as the No. 2 Econometrics program in the nation and keep the university competitive with peer institutions.

"I am deeply honored by the generosity of so many of my former students and colleagues," said Engle who is currently the Michael Armellino Professor of Finance at New York University Stern School of Business.

Engle came to UC San Diego in 1975 from the Massachusetts Institute of Technology, where he was an associate professor of Economics. While at UCSD, he held the Chancellor's Associates Chair in Economics and also served as chair of the department for several years. He is an expert in time series analysis with a long-standing interest in the analysis of financial markets.

"Our Economics Department is widely recognized as one of the nation's best," said Jeff Elman, dean of the Division of Social Sciences. "This is thanks in large part to the outstanding work that has been done by Rob and our other incredible faculty members. By establishing this endowed chair, we can continue to make UCSD a magnet for the best researchers, scholars and students."

During the 1980s, Engle, along with fellow UC San Diego Economics Professor Clive W. J. Granger, devised new statistical methods for dealing with two key properties of many economic time series. Engle found that the concept of autoregressive conditional heteroskedasticity (ARCH) accurately captures the properties of many time series and developed methods for statistical modeling of time-varying volatility. His ARCH model and its generalizations have become indispensable tools for researchers as well as financial market analysts who use them in asset pricing and evaluating portfolio risk. For his work in the analysis of time series data, Engle won the 2003 Nobel Prize in Economics, an honor he shared with Granger.

In addition to the Kroners, donors to the Engle chair include: Angelie Cheung '89 and Victor Ng, Ph.D. '89; Mustafa Chowdhury, Ph.D. '88; Joshua Rosenberg, Ph.D. '96; Jerry Fons, Ph.D. '85; Zhuanxin Ding, Ph.D. '94;

Marian Staer and Tim Bollerslev, Ph.D. '86; Debbie and Mark Watson, Ph.D. '80; Nathalie and Jeff Russell '91, Ph.D. '96; Karen '81 and Dennis Kraft, Ph.D. '82; Peggy and Gary Stern '79, Ph.D. '84; Sharim Chaudhury, Ph.D. '85; Jessica and Richard Attiyeh; Russ Robins, Ph.D. '82; Richard Carson, Ph.D.; Ross Starr, Ph.D.; Gary G.J. Lee, Ph.D. '94; and Wen-Ling Lin, Ph.D. '89.

At the University of California, endowed chairs are teaching/research positions occupied by distinguished scholars. The university provides the teaching/research position and may pay the salary of the person appointed to the endowed chairs. The permanent endowed fund created by philanthropic gifts provides perpetual annual income in support of the teaching and research activities of the person holding the chair.

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