

## MICHAEL R. DONIHUE

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### Personal Data

Date and Place of Birth: July 12, 1957; San Francisco, California  
Citizenship: United States

### Education

Ph.D., University of Michigan, Ann Arbor, Michigan, 1989 (Economics; Fields: Econometrics, Labor)  
Dissertation: *On the Use of Mixed Frequency Data to Improve Macroeconometric Forecasts.*  
M.A., University of Michigan, Ann Arbor, Michigan, 1983 (Applied Economics)  
B.A., Colby College, Waterville, Maine, 1979 (Economics)

### Employment and Appointed Positions

2007 – present Professor of Economics, Colby College  
Economics Department Chair 2011-2012  
2008 – 2011 Associate Vice President for Academic Affairs and Associate Dean of Faculty  
2007 – 2008 Economics Department Associate Chair  
1996 – 2007 Associate Professor of Economics, Colby College  
Economics Department Chair 2001-2003  
2004 – 2005 Visiting Scholar, Research Department, Federal Reserve Bank of Boston  
1989 – 1996 Assistant Professor of Economics, Colby College  
1994 – 1995 Senior Economist, macroeconomics and forecasting, Council of Economic Advisers,  
Washington, DC  
1992 Dana Fellow, Economics Department, Yale University

### Teaching Areas

Econometrics  
Economic Forecasting  
Macroeconomic Theory  
Macroeconomic Principles  
Mathematical Economics

### Grants, Awards and Memberships

Grant from the University of Michigan Panel Study of Income Dynamics, 2008  
American Economic Association, 1988-present  
Maine Consensus Economic Forecasting Commission, Governor's appointment, 1992-2009  
CEME Model Comparison Seminar (chair), 1985-1998  
Australian Special Visits Program, March 1996

## Publications

"Decomposing Consumer Wealth Effects: Evidence on the Role of Real Estate Assets Following the Wealth Cycle of 1990-2002" (with Andriy Avramenko), *The B.E. Journal of Macroeconomics*: 2007, Vol. 7: Issue 1 (Topics), Article 25.

"An Analysis of Attendance at Major League Baseball Spring Training Games," (with David W. Findlay and Peter Newberry), *Journal of Sports Economics*, Vol. 8, No. 1, February 2007, pp. 39-61.

"What's An Oscar Worth?" (with R.A. Nelson, D.M. Waldman, and C. Wheaton) *Economic Inquiry*, Vol. 39, 2001, pp. 1-16.

"The Troika Process: Economic Models and Macroeconomic Policy in the USA," (with John Kitchen) *Empirical Models and Policy Making: Interaction and Institutions*, Frank A.G. den Butter and Mary S. Morgan, eds., Routledge Publishers, London, 2000, pp. 229-243.

"Do Faculty Salaries Rise With Job Seniority?" (with D.A. Barbezat) *Economic Letters*, Vol. 58, February 1998, pp. 239-244.

"Teaching Economic Forecasting to Undergraduates," *The Journal of Economic Education*, Vol. 26, No. 2, Spring 1995, pp. 113-121.

"Differential Environmental Regulation: Effects on Electric Utility Capital Turnover and Emissions," (with R. Nelson and T.H. Tietenberg) *Review of Economics and Statistics*, Vol. 75, No. 2, May 1993, pp. 368-373. Reprinted in *Economic Costs and Consequences of Environmental Regulation*, Wayne B. Gray, editor. Ashgate Publishing, 2002, pp. 377-382.

"Evaluating the Role Judgment Plays in Forecast Accuracy," *Journal of Forecasting*, Vol. 12, No. 2, February 1993, pp. 81-92. Lead article in the 'Special Issue on Structuring Knowledge and Aiding Judgment in Forecasting.'

"Using Mixed Frequency Data to Improve Macroeconomic Forecasts of Inventory Investment," (with E. Philip Howrey) *International Journal of Production Economics*, Vol. 26, 1992, pp. 33-41.

"The IS-LM Cores of Three Econometric Models" (with R.J. Green, B. Hickman, E.P. Howrey, and S.H. Hymans) in *Comparative Performance of U.S. Econometric Models*, Lawrence R. Klein, editor, Oxford University Press, 1991, pp. 89-124.

"Merging Monthly and Quarterly Forecasts: Experience with MQEM," (with E.P. Howrey and S.H. Hymans) *Journal of Forecasting*, Vol. 10, No. 3, 1991, pp. 255-268.

## Current Research

"The Relative Importance of Housing Wealth in the Retirement Saving Decision," (with Caroline Theoharides).

"The Impact of BAPCPA on Consumer Bankruptcy Costs," (with Lois Lupica).

*Statistical Abstract for the Belgrade Lakes Watershed*

## Macroeconomic Policy Contributions

“The Relative Importance of Housing Wealth in the Retirement Saving Decision,” presented at the Panel Study of Income Dynamics Conference: *Pensions, Private Accounts, and Retirement Savings Over the Life Course* at the University of Michigan, on November 20, 2008.

“Decomposing Consumer Wealth Effects: Evidence on the Role of Real Estate Assets Following the Wealth Cycle of 1990-2002,” (with Andriy Avramenko '04). Federal Reserve Bank of Boston Research Department Working Paper No. 06-15. Presented in the Research Department at the Federal Reserve Bank of Boston on October 16, 2004 and at the Workshop in Macroeconomic Research at Liberal Arts Colleges at Colgate University on August 17, 2005 and the Economics Department Research Seminar on April 20, 2006.

“‘Save Social Security’ Bonds: Addressing Our Nation’s Retirement Problems,” (with Jan Hogendorn) Colby College working paper, January 2001. A version of this paper appeared as “Saving Social Security: Good Sense to the Rescue,” in *The Washington Post*, Jan. 21, 2001, p. B4.

“The Troika Process, Economic Forecasts and Macroeconomic Policy in the USA,” (with J. Kitchen) presented at the 10<sup>th</sup> Anniversary Congress of the Tinbergen Institute on Empirical Models and Policy Making in Amsterdam, May 15, 1997.

“Macroeconomic Issues to Consider When Thinking About Tax Reform in Maine,” public testimony before the Taxation Committee of the Maine State Legislature, March 6, 1997.

Presided over, and participated in two sessions at the American Economic Association Meetings in new Orleans, LA in January 1997 entitled “Monetary & Fiscal Policy: The Role for Structural Macroeconomic Models,” and “Current Research of the CEME Model Comparison Seminar.”

“The Troika Process: Economic Forecasts & Macroeconomic Policy in the USA,” presented in conjunction with the Australian Government’s Special Visits Program in Sidney, Canberra, Adelaide, and Brisbane, Australia, March 1996.

Appointed to a one-year position beginning in June 1994 as Senior Economist responsible for macroeconomics and forecasting at the Council of Economic Advisers in Washington, DC.

- Member of the US delegation at the Asia-Pacific Economic Cooperation (APEC) meetings in Yogyakarta, Indonesia, September 1994. and head of the US delegation to the first APEC Economic Committee meeting in Fukuoka, Japan, February 1995.
- Sole US representative to the Asia Pacific Economic Experts Meeting (APEEM) at the Economic Planning Agency in Tokyo, Japan, September 1994.
- Head of the US delegation to the Short-Term Economic Prospects Meetings at the OECD in Paris, France, November 1994 and April 1995.
- Presented a review of current trends in the US economy, the economic outlook, and an analysis of the Clinton Administration’s economic policies to a wide variety of foreign and domestic audiences.
- Chaired the Troika T3 working group and prepared the economic assumptions underlying the Clinton Administration’s budget proposals for Congress.

“The Administration’s Plan to Balance the Budget,” featured speaker at the WEFA Group’s US Economic Outlook Conference in Chicago, IL, August 1995.

“The Council of Economic Advisers and the Clinton Economic Agenda,” keynote speaker at the economics department’s annual Honor’s Society induction of new members at the US Naval Academy in Annapolis, MD, March 1995.

*The Economic Report of the President*, (co-authored with other members of the Council of Economic Advisers) Submitted to the Congress in February 1995.

“Estimating Potential Output,” (with Christopher Foote) Council of Economic Advisers working paper, Washington, DC, January 1995.

“A Review of the US Economy and Assessment of Current Forecasts,” presented at the Short-Term Economic Prospects (STEP) meeting at the Organization for Economic Cooperation and Development (OECD) in Paris, France, November 1994 and April 1995.

“Overview of the US Economy,” presented at the Asian Pacific Economic Experts Meeting (APEEM) at the Economic Planning Agency in Tokyo, Japan, September 1994.

“Current Trends and the Outlook for the US Economy,” presented to the US Ambassador to Indonesia and the Indonesian Economic Society in Jakarta, Indonesia, September 1994.

“The Impact of Consumer Sentiment on the Maine Economy,” featured article in *Maine Business Indicators*, Vol. 39, No. 1, Winter 1994.

“Using Presidential Approval Ratios to Improve Economic Forecasts of Election Outcomes,” presented at the Colby-Bowdoin-Bates Seminar at Bates College, October 1992.

Member of the Committee on Econometrics and Mathematical Economics (CEME) Model Comparison Seminar which met two times each year from 1985 through 1994. Chaired the Seminar beginning in October 1995 and coordinated an annual policy seminar with the President’s Council of Economic Advisers.

“A Review of the ESRC Macroeconomic Modeling Bureau and Proposal for the CEME Model Comparison Seminar,” February 1990.

“The Core of MQEM: An IS-LM Interpretation,” presented to the CEME Model Comparison Seminar, New York, NY, February 1988.

“Properties of the Michigan Quarterly Econometric Model,” presented to the CEME Model Comparison Seminar, Philadelphia, PA, October 1987.

### **Economic Forecasting Work**

*The Colby Economic Outlook*, a newsletter of economic forecasts for the U.S. and Maine economies based on the Colby Quarterly Econometric Model of the U.S. economy, published since 1990.

“The Colby Economic Outlook for the Maine Economy,” (with S. Drunsic ‘97) *Maine Business Indicators*, Spring 1997.

“What’s An Oscar Worth?” (with Randy Nelson and Calbraith Wheaton ‘92) presented at the Colby-Bowdoin-Bates Seminar at Bates College and the Southern Economic Association meetings in New Orleans, Louisiana, November 1993.

Appointed by Governor John McKernan to the Maine Consensus Economic Forecasting Commission in 1992, re-appointed in 1995, 1998, and 2001 by Governor Angus King, and re-appointed in 2004 by Governor John Baldacci. Meetings are held twice annually to assess the current state of the Maine economy and construct short and long-term forecasts that are subsequently submitted to the Governor and the State Revenue Forecasting Commission.

Constructed quarterly alternative forecasts for *FM Quick*, a forecasting service provided by Macro, Inc. These forecasts are alternatives to baseline forecasts prepared by Professor Ray Fair at Yale University. Topics addressed included the impact of the Clinton health plan, current events in the financial markets of Europe, and optimistic and pessimistic scenarios of consumer behavior and business fixed investment, 1993-1994.

“Report of the Consensus Economic Forecasting Commission on the Outlook for the Maine Economy, 1993-1995,” (with Richard Brace, Charles S. Colgan, Laurie LaChance, and Raymond Monahan) *Maine Business Indicators*, Vol. 38, No. 2, Spring 1993.

“Economic Outlook for 1992 for the U.S. Economy and the State of Maine,” presented in a private meeting with the Governor of Maine on October 10, 1992 and in public testimony before the Appropriations Committee of the Maine State Legislature on October 17, 1992 in Augusta.

“Macroeconometric Forecasting Using Data of Different Periodicities,” Colby College, February 1992.

“Using Mixed Frequency Data To Improve Macroeconomic Forecasts of Inventory Investment,” (with E.P. Howrey) presented at the Sixth International Symposium on Inventories in Budapest, Hungary, August 1990 and the 60<sup>th</sup> Annual Conference of the Southern Economic Association in New Orleans, Louisiana, November 1990.

“On the Analysis and Improvement of Macroeconometric Forecast Accuracy,” (with E.P. Howrey and S.H. Hymans) presented at the Econometric Forecasting Conference on Issues in Econometric Forecasting at Arizona State University, March 1987.

“Merging Monthly and Quarterly Forecasts: Experience with MQEM,” (with E.P. Howrey and S.H. Hymans) presented at the American Economic Association Meetings in Chicago, Illinois, December 1987.

“On the Combination of Monthly and Quarterly Forecasts,” (with E.P. Howrey) presented at the Symposium on the Use of Mixed Frequency Data in Short-Term Forecasting sponsored by the Division of Research and Statistics of the Board of Governors of the Federal Reserve System in Washington, DC, January 1987.

### **Work Related to Education & Pedagogical Research**

“The January Program of Independent Study At Colby College: Five Decades of Engaging Students Through Curricular Innovation, Research Opportunities, Independent Study, Off-Campus Experiences, and Internships, December 2009.

“A New Paradigm for the Liberal Arts Curriculum at Colby College,” final report of the curricular planning working groups, February 2009.

“Economic issues facing the next President of the United States,” featured speaker in the *Know Before You Vote* series sponsored by the Goldfarb Center for Public Affairs and Civic Engagement at Colby College, February 19, 2008. Rebroadcast on Maine Public Broadcasting Network’s *Speaking in Maine* on February 26, 2008.

*Statistical Abstracts for the Greater Waterville Area, 2004-2008.*

“Choosing the Right Journal,” panel discussion at the Workshop in Macroeconomic Research at Liberal Arts Colleges, Vassar College, August 8, 2006.

“Meeting the Standards: An Analysis of Eighth Grade Educational Assessment Test Scores in Maine,” (with Joseph Mattos, Caroline Theoharides ’06, and Charlotte Tiffany ’00) Goldfarb Center Working Paper No. 2006-003, August 2006.

US Naval Academy Economics Department external review committee, April 2006.

“The Economics of Obesity in Maine,” panel discussion chair, January 26, 2006.

“What Does it Mean to be Poor in the Greater Waterville Area?” panel discussion chair, January 2004.

“Vegetarianism Among College Students,” (with John M. Talbot) Colby College working paper. Prepared for the American Sociological Association meetings in Chicago, August 16-19, 2002.

“A Revised Assessment of SAT Scores As a Predictor of Academic Performance at Colby College,” (with Randy A. Nelson) Colby College working paper, July 8, 2002.

“Interactive On-Line Games for Macroeconomics,” (with J. Hornsten, Bowdoin College), presented at the Annual Retreat for the Colby-Bowdoin-Bates Mellon II Grant on the use of technology and information resources, Bowdoin College, June 7, 2001.

“Results of the Colby Student Lifestyle Survey,” Fall 1999, Fall 2000, Fall 2001, and Fall 2006.

“SAT Scores and First-Year Student Performance at Colby College” and “A Predictive Model of Matriculation Probability and Grant Expenditure at Colby College,” Spring 1997.

“A Review of the Macroeconomics Explorer CD-ROM Software,” presented at the roundtable on The Use of CD ROMs in Teaching Principles of Economics at the American Economic Association meetings in New Orleans, LA, January 1997.

“Teaching Economic Forecasting to Undergraduates,” presented at the Computer Aided Learning Innovations session of the winter meetings of the American Economic Association in Washington, DC, January 1995.

“Seniority and Monopsony in the Academic Labor Market: A Comment” (with Debra A. Barbezat) May 1994.

“The Determinants of Performance on the Major Field Test in Economics” (with Clifford Reid and Randy Nelson), May 1994.

Authored five case studies for the third edition (1994) and four case studies for the fifth edition (1999) of *Principles of Economics*, by Karl E. Case and Ray C. Fair, published by Prentice Hall. Also provided annotations for the Instructor’s Edition for both the second (1992) and third editions of this textbook.

“Macroworld: A Computer-Aided Approach to Teaching Macroeconomics,” presented at the Macintosh in Maine Conference at Colby College, June 1990.

### **Consulting Activities**

Analysis of macroeconomic events, econometric modeling, and testimony on behalf of Central Maine Power Company in their request for approval to modify CMP’s service quality indicators by eliminating or changing the current Maine Public Utilities Commission complaint ratio and to waive penalties, May – August 2010.

“Economic Trends in the Midst of the Great Recession,” presented at the Camden National Leadership Forum, September 30, 2009.

“Economic Trends in the Midst of ‘The Great Recession:’ The View From the Bottom?” presented at the annual retreat of the Smith Group Disability Reinsurance Consultants, September 15, 2009.

“Economic Trends in a Changing Political Landscape,” presented at the annual retreat of the Smith Group Disability Reinsurance Consultants, September 16, 2008.

Consultant to the Maine Development Foundation. Directed an economic impact assessment of the current healthcare delivery system in the Kennebec Valley Region. May – September 2008.

Consultant to Central Maine Power Company. Provided an analysis of sampling methods for an evaluation of the integrity of CMP’s distribution plant. June 2006.

“Electricity Demand: An Analysis of Price Elasticity & Customer Classification,” (with D. Cohen ‘04), presented at Central Maine Power Company, April 4, 2002.

Consultant to Pierce Atwood Law Firm. Provided testimony on the issues of market definition, market structure, cost of living, and agricultural prices of potatoes on behalf of McCain Foods in the arbitration case of McCain Foods versus the Agricultural Bargaining Council in Presque Isle, Maine. March 2002.

Consultant to Central Maine Power Company. Provided testimony before the Maine Public Utilities Commission regarding CMP’s elasticity estimates and forecasting methods for electricity demand in the residential, commercial, and industrial sectors in the investigation of CMP’s Stranded Cost Revenue Requirement, Docket No. 2001-232. November – December 2001.

Consultant to Central Maine Power Company. Provided an analysis of elasticity estimates using panel data for a large sample of CMP’s customers. May – July 2001.

Consultant to PG&E Energy Trading. Prepared forecasts and evaluated current forecasting methods for short-term regional electricity demand. December 2000 – January 2001.

Consultant to Central Maine Power Company. Provided a statistical analysis of PCB-contaminated transformers and designed a system for identifying candidates for removal and reclamation implemented by CMP in 2000.

Consultant to the Maine State Planning Office. Co-authored *The Maine Economy: Year-End Review and Outlook 1998*; constructed county-level employment forecasts; developed a coincident indicator for the Maine economy; researched and evaluated alternative tax proposals for Maine; and improved the forecasting methods and models used at the SPO. January –August 1999.

Consultant to Central Maine Power Company. Evaluated forecasting models for electricity demand in the residential, commercial, and industrial sectors. November 1998 – June 1999.

Consultant to Central Maine Power Company. Provided testimony before the Maine Public Utilities Commission in the Investigation of Stranded Costs, Transmission and Distribution Utility Requirements, and Rate Design. Docket No. 97-580, October 29, 1998.

“Evaluation of the Cost Separation Analysis Performed by Exeter Associates, Inc.,” public testimony before the Maine Public Utilities Commission on behalf of Central Maine Power Company. Docket No. 97-580, October 29, 1998.

Consultant to Central Maine Power Company to review their methods for forecasting electricity demand and suggest alternative models in preparation for testimony before the Public Utilities Commission, March 1993.

Served as an expert witness in the case of *Margaret J. Nensel v. Peoples Heritage Financial Group, Inc., et al.* for the law firm of Verrill & Dana in July, 1992.

### **Major Committee Service at Colby College**

- Academic Affairs Committee, 2008-2011
- Course Evaluation Committee, 2008-2011
- Committee on Standing, 2008-2011
- Promotion and Tenure Committee, 2000-2003, 2007-2008
- Academic Engagement Curricular Planning Working Group, 2008
- Promotion and Tenure Reconsideration Committee, 2004
- Goldfarb Center for Public Affairs and Civic Engagement Faculty Coordinating Committee, 2005-2008
- Re-accreditation task force, chair of the self-study subcommittee on transitions to Colby, 2006-2007
- Re-accreditation task force, chair of the self-study subcommittee on the microcomputer standard at Colby 1996-1997
- Colby’s faculty representative to the collaborative Teagle Foundation initiative assessing educational outcomes at seven liberal arts colleges, 2005-2007
- College Appeals Board, chair 1999-2002 [Student disciplinary board]
- College Harassment Board, chair 2001-2002 [Student disciplinary board]
- Information Technology Committee, chair 1996-1998, 2000-2001
- Colby College Board of Trustees faculty representative, 1999-2003 (Physical Plant, Strategic Planning, Facilities & Technology, Information Technology; and Compensation committees)
- Colby Alumni Council faculty representative, 1996-1998
- Colby-Bowdoin-Bates Mellon Foundation User Education Committee, 1997-2001
- College Benefits Task Force, 2000-2001
- Diversity Training Workshop, 2003
- Service Learning Task Force, 2002-2004