



ORTA DOĞU TEKNİK ÜNİVERSİTESİ MIDDLE EAST TECHNICAL UNIVERSITY

Department of Economics Newsletter

Spring 2015

A Letter from the Chair...



Students, Parents, Alumni, Colleagues, and Friends,

It's hard to believe that we have finished another academic year; and again time went by so quickly. It's refreshing to look back on another busy year, to see all the new developments in the Department of Economics at Middle East Technical University.

We have hired two terrific new faculty members this year. Mürüvvet Büyükboyacı obtained her Ph.D. at one of the world's leading educational institutions, California Institute of Economics. Dr. Büyükboyacı's research focuses on Applied Microeconomics, Behavioral Economics, and Experimental Economics. Onur Koska who works on International Trade was also selected to join our faculty. Dr. Koska received his Ph.D. from the University of Otago, New Zealand and has been with the University of Tübingen since then. In addition to our new faculty, we have a new department secretary, Çiğdem Özkan. We are glad to have them all in our department.

Several senior faculty members have retired this year: Prof. Dr. Aysıt Tansel, Prof. Dr. Güzin Erhat, Prof. Dr. Halis Akder, Prof. Dr. Fikret Şenses and Prof. Dr. Erol Çakmak.

It is really hard to imagine our department without our retiring faculty members; we are indebted to them for their contributions to our department over the years. Fortunately, we will continue to benefit from their expertise through course offerings and informal gatherings in the department. Prof. Dr. Fikret Şenses and Prof. Dr. Aysıt Tansel will continue to teach their graduate classes. To honor our retiring faculty members we had a retirement party where Professors Oktar Türel, Zehra and Haluk Kasnakoğlu and Yakup Kepenek participated as well. We hope to follow in our emeritus faculty's footsteps and aim for high academic standards in teaching and research.

As faculty of Middle East Technical University we are very proud to let you know that METU was ranked 3rd in the "BRICS & Emerging Economies Rankings 2015", released by the Times Higher Education (THE). In addition METU was selected as the most innovative university in Turkey in 2014 by TÜBİTAK. METU was also listed in the "World Top 100 Universities" in the "World Reputation Rankings", released by the Times Higher Education in 2012, 2013, and 2014 and was also ranked 85th among the top 400 in the "World University Rankings 2014-2015", released in October. In 9 disciplines METU has been listed among the top 200 universities in the

world and the Department of Economics is the only department of the METU social sciences to appear in these rankings. Of course, university rankings are broad assessments with many problems but global acknowledgement of the hard work and effort of Middle East Technical University employees and students makes us proud.

In 2014 we began our first Department Mentorship Program. All senior Econ majors who requested to have a mentor in the field were matched with a METU Econ graduate. We are thankful to our graduates for sparing their precious time and conveying their experience to our seniors. All the students who had mentors in our first experience with the mentorship program have found the program either useful or very useful. Therefore, we believe that the METU Econ Department Mentorship Program has been a success. So, we have decided to increase the coverage of our program to juniors (third year students) as well. In 2014, in line with our student surveys, Mrs. Gülis Koral Özgencigör (Econ 2011) was selected as mentor of the year. I would like to congratulate Mrs. Koral Özgencigör for her special effort in assisting our seniors. We also started our second mentorship program in Fall 2015. We would like to thank all our mentors for their help. It is great to see that many of our graduates are willing to share their experience and wisdom with our students.

Last but not the least, I am happy to inform you that our undergraduate program has been revised. We have been working on a new curriculum for more than a year. The new curriculum will come into effect Fall 2015 and will be followed by the newest cohorts. This curriculum was prepared in line with programs from the leading universities around the world, as well as the newly arising needs of our incoming students. We expect that the new curriculum will increase academic standards of learning.

I also would like to remind you that METU Graduates Day will be held on the 27th of June 2015. Our 1975, 1985, 1995 and 2005 graduates will receive graduation medals. We really feel that we are a big family and we are looking forward to meeting with you and hearing about your memories at METU and in the Department of Economics.

I would like to end by wishing the whole METU Economics family, students, faculty, staff and graduates, happiness, success, and health.

With best wishes,

Prof. Dr. Nadir Öcal
Chair, Department of Economics

Conversations with...

Fikret Şenses

(Interview: September 2014)

What drew you to economics? Has there been a particular scholar that inspired you?

It was rather by chance than choice that I became an economist and have enjoyed being one ever since. As a teenager, I was interested in social sciences in general. Among the government scholarships on offer to study in England, the nearest to my liking was Economics, so economics it was to be. Years ago, I had overheard a close relative remark that the best career path for a young person would be to study economics at LSE. That might have also been at the back of my mind.

I still regard the opportunity I was given to study in England for so long as a chance of a life time. I still feel indebted to my country, suffering at the time from severe foreign exchange shortages, for this.

As an undergraduate student, I had the opportunity to listen to world class economists like Solow, Joan Robinson, Harrod, Hicks, Lipsey, and in later life, my path crossed with Graham Pyatt (my advisor at Warwick), A. I. MacBean (my advisor at Lancaster), Hla Myint (my supervisor at LSE), Samuelson, Modigliani, Sen, Bhagwati (my counterpart at Columbia) and Krugman who were all important sources of inspiration.

All my teachers, to whom I would like to express my gratitude, have contributed to my career in different ways. You would perhaps be surprised to hear that one person who contributed most to my career as a teacher was Carl Tobey, my English teacher in my first year of junior high school.

You got your PhD at London School of Economics. What were LSE years like? What was your dissertation on?

My choice of LSE for graduate study, among several other good offers, was one of the best decisions I have ever made. LSE was (and probably still is) very much



at the center of things. It was not only a prestigious academic center, but also the center of political activity of all shades of leftist worldview. Meeting bright young men and women from different corners of the world (including Turkey), full of determination to change the world to make it a better place, engaging in hot debates over lemon tea (definitely, or should one say unfortunately, not over rakı), and sometimes a pint of bitter. It is a part of my life I remember with nostalgia. ("Nostalgia is not what it used to be", as graffiti on an LSE wall once read!).

Like most colleagues, I felt more or less obliged to think and write on Turkey. My dissertation was aimed at a critical assessment of Turkey's trade and industrialization policies during 1950-70.

You have been working in Development Economics. What makes it so significant?

It is a very interesting and important subject that deals with deep-seated problems like

poverty, inequality, and unemployment which the majority of the world's population confronts. The subject also examines the ways and means of solving these problems. I feel that we, in the academic community, should be deeply concerned with such realities of everyday life, at home and abroad. I regret that economics as an academic discipline is drifting away from effectively tackling these issues.

You have widely published in Turkey and abroad. Is there any particular publication that stands out as most significant to you personally?

Without taking any of the credit away from my colleagues in Turkey who carried research in these fields to new heights, I must admit that I take pride in the fact that I conducted some of the early studies on subjects such as Turkey's transition to and experience with neoliberalism, industrialization, labor markets, and poverty. As for my own assessment, I value them all not for their academic value but for the sheer fact that they involved "blood, toil, tears, and sweat", over days and nights, many weekends, and even summer holidays. When I once said I work and write during summer holidays and even on the beach, my very good friend Erol Taymaz once wittily and jokingly remarked: We can tell from the quality of your work! There is a grain (perhaps a bagful!) of truth in that!

On a more serious note, from my point of view, the METU Studies in Development special issue on development economics with contributions by scholars in the forefront of that discipline, which I edited, my books on Turkish industrialization and on poverty, written mostly during my sabbatical leaves at Harvard and Columbia, respectively stand out from the others. The joint paper with my dear friend Ziya Öniş on the post-Washington consensus received much international attention.

You have been at METU for more than 30 years now. Would you say that the Economics Department has changed a lot over time? What do you see as the biggest challenges for the department going forward?

Like all other institutions, our department has also changed over time. This is in the nature of things (I refuse to say "fıtratında var"!). I am not going to make the mistake that some people make in saying that things were better during their time. Our department's age profile has changed significantly in recent years. We now have a faculty with one of the lowest average ages in the country. My retirement has no doubt contributed substantially to this outcome!

I have always had full confidence in youth. I hope and believe that the new generation will keep up the good work and maintain the enviable status of our department and take it to new heights. I already see signs of this happening. Our department's curriculum has always included subjects, which I can broadly classify as those having a political economy focus, along with technical/quantitative subjects. This has been one of the strengths of our department and in many ways has made it unique among its counterparts at home and abroad. I can only wish we preserve this balance.

Having received the Educator of the Year award in three different years you are now one of the few professors at our university who possesses the Excellence of Teaching Award. What do you enjoy most about teaching Economics?

Teaching has been one of the joys of my life. I always looked forward to my early morning (8.40) classes in introductory economics. I enjoyed them as much as one could enjoy his most valued hobby. This academic year will be the first after so long that I shall miss out on this. All good things in life come to an end, as the saying goes.

Teaching at the graduate level, apart from its joys, has provided a forum of mutual

learning for my students and me. My relations with students, like all good relationships in life, have depended on mutual love and respect. Seeing former students ascending fast in their professional careers is a feeling that I, along with others in the teaching profession, find hard to describe.

What do you wish to say about your time in METU as a faculty member?

I would like to say and go on record that I have been very proud of being a part of this university and department. In fact, I would not have come into academic life had I not been given the chance to join this community. I owe it to this institution that I have had a very (and increasingly –who says diminishing marginal utility?) happy professional life. Every time I passed through the gates of this university and entered the department I felt that there was no better place to be. The academic, administrative and service staff alike and my students have all been very dear to me.

You recently retired. Do you have any special plans for retirement apart from lecturing in our department? We are very happy to hear that you will still be around. What do you plan to do in your spare time?

As you say, I shall be teaching; one graduate course each semester. This will be a somewhat soft landing for a new stage of my life. Retirement surrounds one and causes mixed feelings, which are very hard

to describe. For once you have the opportunity to sit back and look back. There is now more time to reminisce. These days I am basically in this mood. I sit by the shore with a book in hand; listen to the sound of waves (how romantic!) together with different genres of music. To use a musical analogy, retirement for me is a feeling that makes one go back and forth between the Rolling Stones singing, “It is the evening (I am in an optimistic mood today!) of the day-as tears go by” and Sinatra singing “my way”.

During the four months since retirement I have read a lot, travelled- so far mainly for academic purposes- gone on very long morning and evening walks, spent much time at the seaside, and enjoyed the visit of my daughter and her family (most notably my lovely one-year old grandson, Ozan Şenses) from far afield. My plans for the future, if everything goes well (*ceteris paribus!*), are basically more of the same, really. I might spend more time watching movies and plays as winter sets in, and create more opportunity to travel, see different parts of the world, which remains my favorite hobby. Academically, my immediate plans, apart from teaching, include finishing a book I have long been working on and presenting in December at a conference on Turkey in Iran. I am also lined up for a TV program on the Turkish economy. I do not know if I am capable of doing it, but for the medium term I would very much like to write a short book for kids (primary school children and kids in their early teens) on human rights, democracy, and the environment, in a nutshell, on “how to be a good citizen of the world?”

Fikret Şenses at a Glance

Prof. Şenses obtained his BA, MA, and PhD degrees in England at Warwick, Lancaster and London (LSE) universities, respectively. Before joining METU, he worked briefly in the research department at the Central Bank of Turkey as an Economist. He has been in the Department of Economics at METU since 1979 (until his retirement in May 2014) where he served as Department Chair in 1991-92 and as the editor-in chief of *METU Studies in Development* from 1983 to 1987. He represented the Faculty of Economics and Administrative Sciences at the University Senate between 2010 and 2014 as an elected member. He was a member of various committees of the Turkish Academy of Sciences, including award juries and was the coordinator of the Academy's foresight study in Economics. He served as a member of the Higher Education Council of Turkey between 2005 and 2009, and as a member of the Ethics Committee of the Inter-University Council between 2004 and 2009. He was a visiting scholar at Harvard, Columbia (Fulbright fellow), the Institute of Developing Economies (Tokyo) and the Institute of Development Studies (Sussex University).

Mürüvvet Büyükboyacı

Short Bio:

Muruvvet Buyukboyaci obtained her BS degree in Mathematics from Bilkent University, Turkey, her MA degree in Economics from Sabanci University, Turkey, and her PhD degree in Social Sciences from the California Institute of Technology, USA. Before joining METU-Ankara, she worked as an instructor at METU-Cyprus. She joined the METU Department of Economics in July, 2014.



Mürüvvet, first of all on the behalf of my colleagues I would like to welcome you to our department. We think that you will be a nice addition to our department and we are very happy to have you. You completed your Ph.D. in economics at California Institute of Technology (Caltech), which is among the most prestigious universities in the world. How did you like it and what was your thesis about?

Thanks for the warm welcome. I am happy to be here as well. Let me start with how I felt at Caltech. I loved being at Caltech. Caltech was a small school, which had only 900 undergraduates, 1100 graduates and 2000 postdocs. These numbers tell us that the school is more of a research school than a teaching school. Research at the Economics Program at Caltech was also very focused. While this is seen as advantageous for some, it is not for others. For instance, we did not have a lot of Macroeconomics courses. Of course, graduate students choosing the program were aware of this strong focus. So, in the program, there were only students who prefer to learn more about Microeconomics, Political Economics, Experimental Economics, or Neuroeconomics. This was a great thing for me because I could talk about my research with nearly anybody in the department and most people in the department shared similar research interests. That stimulated the academic environment in the department. The second good thing about Caltech was its location, i.e., the awesome weather of South California. ☺

Now let me tell about my thesis. My dissertation concerns the effects of heterogeneity on different economic environments such as contests, coordination games, and matching. In particular, my thesis is composed of three papers, where the first paper compares the performance of two tournament designs as the contestants' abilities vary. The second paper examines the effects of information regarding an opponent's risk attitudes on coordination in stag-hunt games. The last examines the effect of time frictions on decentralized matching markets under complete information.

As a Mathematics major how did you decide to pursue a carrier in Economics at the time?

This will be a cliché but as most math graduates who chose career paths other than pure mathematics, I wanted something more applied in my life. In that respect, I took a couple classes as 'nontechnical electives' when I was an undergraduate at Bilkent. However, I chose my field of specialization during my master's studies. I did an experiment for my master thesis in 2007 under supervision of Ozgur Kibris☺.

What research are you working on right now?

Actually I am working on a project that is funded by TUBİTAK (TUBİTAK Return Fellowship Program). The project has two parts. The first part is an experimental test of a theoretical paper by Ozgur Kibris and Arzu Kibris (2013). In that paper, they compare a couple of rules that are used for bankruptcy problems.

Let me start with what a bankruptcy problem is. Consider a bankrupt firm whose monetary worth has to be allocated among its creditors. Each creditor holds a claim on the firm and the firm's liquidation value is less than the total of the creditors' claims. How should the allocation be done?

The axiomatic literature provides a large variety of “bankruptcy rules” as solutions. Among them, three are significantly more prominent than the others. The Proportional rule (PRO) suggests allocation of the estate proportional to the claims. The Equal Awards rule (EA) suggests equal division of the estate. The Equal Losses rule (EL) suggests to equate across agents the difference between their claims and their shares. The actual bankruptcy laws seem to have preferred PRO over the other rules. The rationale behind this choice might be purely historical, or it might be that governments attach more importance to the axioms that characterize PRO over the axioms that characterize the other rules.

Ozgur Kibris and Arzu Kibris (2013) propose to explore another explanation as to the popularity of PRO. Alternative bankruptcy rules affect the investment behavior in a country in different ways. In a way, each rule induces a different “noncooperative investment game” among the investors. Comparing the equilibria of these games, in terms of total investment and social welfare, is another way of comparing alternative bankruptcy rules. When they compared these three rules, they found that the Equal Losses Rule brings higher total investment than the Proportional Rule and the Equal Awards Rule. They also found that people's investments are affected by their risk aversions, the risk aversion of the other creditors, probability of bankruptcy, and the value of the firm after bankruptcy.

To suggest a policy change according to these results, there should be empirical evidence as well. Since it is very hard to test these results with the field data, we (Ozgur Kibris, Arzu Kibris, and Mehmet Yigit Gurdal) decided to run an experiment which compares the effect of these rules on total investment by realizing the noncooperative investment game described in Ozgur Kibris and Arzu Kibris (2013). We also look at how subjects' risk aversion and other creditors' risk aversion in the firm affect their investments.

As a follow-up to this project, I will try to understand if people were to choose their bankruptcy rules rather than being exogenously assigned bankruptcy rules, how such a situation would affect their investment behavior. Further, I am also interested in how they would choose their rule.

You recently earned a TUBİTAK Return Fellowship Program project. What were the advantages of this project program?

This has a couple of advantages for me. First, this fellowship (which continues for two years) provides me with a stipend while waiting for the legal procedures to be completed that are necessary to start formally (with a salary) at a public university. The second one is, my research area (performing experiments, attending conferences) requires some money. While waiting for these legal procedures I am not able to apply for the funding from TUBİTAK or from the university. So, the research funding this program is giving to me helps me continue my research while other funding is not available.

You are working on Experimental Economics. Who do you think could be seen as a leading economist in your field?

This is a hard question to answer. However, as a style I follow my advisors' footsteps, Thomas Palfrey and Leeat Yariv. All Caltech professors do their experiments with a theoretical base. They taught us that should be the spirit while doing an experiment. I agree with them. Other than them I like research by James Andreoni,

UCSD; Muriel Niederle, Stanford; Timothy Cason, Purdue University.

Is there anything that you have never done and would love to do?

There are some trails I would love to hike in Turkey and around the world. The ones in Turkey are the Lycian Way and the Kackar Mountains Trail; the one elsewhere in the world is Macha Picchu.

What would you like to do in your spare time?

I love to see new places, to try new foods, to go hiking, go to the theatre, and to hang out with friends.

Ferhan Salman

(METU Economics B.S. 1996, M.S. 1999)

Short Bio:

Ferhan Salman is a Senior Economist at the Middle East and Central Asia Department of the International Monetary Fund (IMF). He is the lead desk on Pakistan and team leader on the Vulnerability Exercise on Oil Exporting countries. As part of his social responsibility, he is the President elect of the World Bank-IMF Turkish Staff Association and Founder and Co-chair of the DC based think tank Capital Turkish Connections. Prior to joining the IMF, Ferhan worked at the Central Bank of Turkey (1996-2009). His policy and research interests include program design, structural reform, monetary and fiscal policy, financial markets, and the G20. During the global crisis he worked on a number of emerging market economies in Europe, Asia and the Middle East. He received his Ph.D. from Boston University (2004) and his Associate Professor (Doçent) Degree (2009) from the Higher Education Board (YÖK).



What attracted you to Economics?

The versatility of the profession. Economists can consider a number of tasks and find different ways to tackle them, and they do so by looking for efficient and socially conscious ways.

You earned your Ph.D. through Boston University. What was your dissertation on?

It was three papers on Public Finance. The first paper looked at ways to balance the intertemporal budget constraint of Turkey given demographic dynamics and consumer expenditure patterns. The second argued for the presence of cross-sectional heterogeneity in risk aversion behavior and argued that standard consumption utility functions should be modified to address this feature of consumer behavior. The last one looked at the impact of tax related news on the stock market pricing of securities.

You have worked for the Central Bank of Turkey for a while. How did it affect your recent role as a Senior Economist at the IMF?

Work at the IMF requires diversity of background and views in order to solicit out-of-the-box approaches. My experience from the central bank of a G20 country helped me to bring in Turkey's perspective on policies. I was able to recommend some of Turkey's good policy practices as a guiding tool for other countries as these had been tested and had achieved positive results. For example, Turkey's experience with foreign exchange auctions, the business climate and energy sector reforms provided a good example for countries behind the curve. Having lived through a number of crises and IMF programs in Turkey, I can also relate to the experiences of other countries that have gone or are going through crises and understand their recovery profiles. All this is reflected in our advice to IMF member countries and in our program design.

What was your favorite class when you were an undergraduate student and/or graduate student at METU?

I had two, in fact; econometrics (with Haluk Erlat) and economic history (with Erdal

Yavuz). Economists should be good story-tellers in order to convey a technical message. Econometrics always guided me on the technical front and economic history helped me with the story-telling. Experiences driven from history help us avoid past policy mistakes. The impact of the recent global crisis was mitigated, and policies for recovery were able to be designed quickly with the help of our experience from the great depression and the late 90s Asian crises. Obviously, working with data helped us make these informed decisions.

Can you please tell us one nice memory you had from the METU Economics Department?

It has been 20 years already and I have many fond memories of the Department, especially the one with the pool ritual on the last day of school. A number of students used to identify one or two faculty members, carry them all the way down the stairs and dropped them in the Department pool. I think this reinforced faculty/student collegiality and friendship. I wonder whether the ritual still continues.

What would your suggestions be for our students who would pursue a graduate degree in Economics?

Take math, philosophy and history courses and try to diversify with electives from different departments. The profession is becoming more and more cross-cutting and perspectives from different disciplines will help to better approach today's challenges.

You are working on the policy side of economics as well. What do you think are the most important economic challenges in Turkey?

IMF, WB, OECD, WTO, and IEA have good assessments on Turkey's challenges and place them in an international context. Please take a look at last year's IMF's Article IV consultation report on Turkey. (<http://www.imf.org/external/pubs/ft/scr/2013/cr13363.pdf>), and the one that was released a few months back. The World Bank's recent progress report on the Country Partnership Strategy is also very useful.

(<http://documents.worldbank.org/curated/en/2014/09/20220584/turkey-country-partnership-strategy-progress-report-period-fy2012-16>)

Buket Atlı

(METU Economics B.S. 2009, M.S. 2012)

Buket, could you please tell us a bit about yourself? What made you choose to study Economics?

First of all, I want to thank everyone who put effort into realizing this newsletter. I remember volunteering to speak as a student during the orientation program of our department in an effort to pass our knowledge on to the newcomers. I am very happy to see that new channels have emerged since then. I was born and raised in Ankara and my parents were middle class officials retired from the Ministry of Agriculture. When I took the university exam in 2004, I got a good score but I did not know what I wanted to be. Therefore, my decision to study economics was not a very conscious decision, like many of us.

That is why I spent most of my time in the prep class and first year understanding what studying economics was really about and what I wanted from life. During that search, I frequented lots of clubs like photography (AFSAD), scouts (ODTÜ İzci Grubu) and classical Turkish music (KTMT) and did my internships at different organizations each year. One of the long lasting clubs that I joined was the METU Economics Society (ODTÜ Ekonomi Topluluğu), where I had a chance to see how fun it could be to learn from each other and to learn together. Moreover, I learned that there were many other aspects to economy and political economy than what we covered in classes. When I graduated, I wanted to work in a field that had an international aspect and a connection to other social sciences. I was lucky enough to be introduced to the German Turkish Masters in the Social Sciences program, which is a joint program between METU and Humboldt University in Berlin.

You are currently a researcher at the Greenpeace Mediterranean Office, one of the most prestigious NGO's in the world. You also worked as a policy coordinator in the Turkish German Biogas Project as a part of German International Cooperation. How do

you relate your experience as an ECON student at METU to your work experience?

Until the last year of my masters, I still did not know exactly in which direction I wanted to proceed. But when you keep searching, usually a new opportunity shows up. Luckily in my last semester, I received a job offer from German International Cooperation (GIZ), where I had previously done an internship, to work on a project about electricity generation from biogas. Therefore, I chose to write my thesis about the politics of renewable energy policies in Turkey which was also helpful for my work afterwards. One year later, I finally knew what I wanted. I wanted to move away from Ankara and work in a job that has a connection to the environment and ecological life. All in all, I realized that this whole journey of finding what I wanted and what I did not want was the real story of my life. As a student in the METU Econ department, I had learned that economics is a very broad discipline and can offer everyone a good background whether they want to continue on that path or change direction.



While you were at METU, you were part of the Erasmus Program and visited Tilburg University. How did this experience affect your career path?

It was one of the most influential events of my undergraduate studies. In Tilburg I attended a class on development economics where the majority of the class came having

read the assigned articles and took part in fruitful debates. When I saw how fun it was to learn in such an environment, where everyone is willing to discuss and learn, I wanted to continue studying at an international program for my masters. It was in this spirit that I found out about the German Turkish Master in Social Sciences (GeT-MA) program. It was exactly what I was looking for: students from USA, Germany, Russia, Belgium, Botswana and Turkey. Together we had the best class discussions from which I learned a lot.

How did you decide to apply to the joint program of German Turkish Masters in Social Sciences of METU and Humboldt University? Did you receive any advice/help?

After returning from Erasmus, I knew that I wanted to go abroad again and stay there. I decided that applying to Germany would be better since I had picked up a little German from my language classes at METU. When I was talking to a German friend that I met during my Erasmus studies, I mentioned my wish to study in Germany and she encouraged me by saying there must be a lot of opportunities. While talking on skype and conducting an internet search at the same time, we came across the page of GeT-MA. I was still very skeptical about it because students paid their own tuition and costs unless they received a scholarship. I asked for a reference letter from my professor at Tilburg University and also from my professors at the METU Economics Department. There were a lot of applications and I did not expect to be given a grant, so I felt great joy when I learned that I had been selected. I am glad that I was not discouraged, did not give up and applied. The second thing I am glad about is taking heed of the advice of one graduate who told me in my first class to maintain high grades in the first year so as to take advantage of it afterwards. That is exactly what happened.

When I decided to apply for Get-MA, I would not have been selected if I had not had a high GPA.

What would you advise an environmentally and socially conscious student at METU Econ about how they should shape their future?

First of all, I would advise everyone to be honest and true to themselves about what they really want to do and what they don't want to do. It is an essential question from which you cannot escape. Second of all, I think as a METU student and as a member of a generation who witnessed Gezi protests as well as the global impacts of climate change, everyone should be more conscious about the environment and energy policies, especially living in a country like Turkey. So even if you have the faintest pang of conscience please go and take part actively in a civil society organization as a volunteer right now. When your children ask what you were doing while Akkuyu and Sinop nuclear power plants and also 80 new coal power plants were being built in Turkey, you will need to come up with a response. Therefore, in my view, working for an environmental or socially oriented NGO should not be an end in itself, but rather a tool to make a change for such 'life or death' matters in our lives. I can only say that the satisfaction of doing a job that you believe in is not easily replaced.

I can also relate to the experiences of Turkey to those of other countries that have gone or are going through crises and their recovery profiles. These are reflected in our advice to IMF member countries and in our program design.

News from the Department...

Meetings and Seminars

Workshop/Conference in Honor of Prof. Dr. Fikret Şenses

After working at the department of Economics at METU for more than 30 years, Prof Dr. Şenses retired in May 2014. Throughout his academic life, he has always been an exemplary figure for all of his students and colleagues in terms of both teaching and high-quality research. He has been mainly interested in development, poverty, the Turkish economy and income inequality.

With the financial and logistic support of METU, METU NCC, Bosphorus University, Deniz Bank and the Central Bank of the Republic of Turkey, a workshop/conference in honor of Prof. Dr. Şenses was organized at the Northern Cyprus Campus of METU on 2-4 April 2015 by his ex-students, Hasan Cömert (METU), Murat Koyuncu (Bosphorus) and Emre Özçelik (METU-NCC). Two leading scholars, Robert Wade of London School of Economics and Jayati Ghosh of Jawaharlal Nehru University, and more than a hundred scholars from various Turkish universities participated in the workshop/conference. During the workshop/conference, more than 60 papers relevant to the interests of Prof. Şenses were presented. Selected papers will be published in an edited book and after a blind peer-review process, they will also be considered for publication in a special issue of METU Studies in Development in Honor of Fikret Şenses.





TÜRKİYE EKONOMİSİ VE KALKINMA İKTİSADİ ÇALIŞTAYI

2 - 4 Nisan 2015

ODTÜ Kuzey Kıbrıs Kampüsü
Kültür ve Kongre Merkezi
Amfi 1, Amfi 2, Amfi 3

Fikret Şenses'e
Armağan



A. Mert Yakut (ODTÜ)
Abdurrahman Aydemir (Sabancı Ü.)
Ahmet Benlialper (İpek Ü.)
Ahmet Tonak (Bilgi Ü.)
Ali Bilge (İktisat, İşletme ve Finans Dergisi)
Ali Cevat Taşiran (ODTÜ KKK)
Alper Duman (İzmir Ekonomi Ü.)
Alper Güzel (Ondokuz Mayıs Ü.)
Armağan Gezici (Keene State College)
Arzu Akkoyunlu Wigley (Hacettepe Ü.)
Aykut Lenger (Ege Ü.)
Ayşe Buğra (Boğaziçi Ü.)
Aytül Ganioglu (TCMB)
Burcu Özgün (ODTÜ)
Burçak Özoğlu (ODTÜ KKK)
Cem Oyvat (U. of Greenwich)
Ceyhan Elgin (Boğaziçi Ü.)
Cihan Yalçın (TCMB)
Çisel Ekiz-Gökmen (Muğla Ü.)
Deniz Plevneli (ODTÜ)
Deniz Taner Kılınçoğlu (ODTÜ KKK)
Doğan Tırtıroğlu (Kadir Has Ü.)
Ebru Voyvoda (ODTÜ)
Elif Akbostancı (ODTÜ)
Emel Memiş (Ankara Ü.)
Emre Özçelik (ODTÜ KKK)
Ercan Uygur (Ankara Ü.)
Erdal Özmen (ODTÜ)
Erdoğan Bakır (Bucknell U.)
Erinç Yeldan (Bilkent Ü.)
Erkan Erdil (ODTÜ)
Erol Taymaz (ODTÜ)
Eser Pirgan Matur (Kalkınma Bakanlığı)
Ester Ruben (Yıldız Teknik Ü.)
Eşref Uğur Çelik (Atılım Ü.)

Eyüp Özveren (ODTÜ)
Fatih Özatay (TOBB-ETÜ)
Fatma Doğruel (Marmara Ü.)
Fikret Görün (ODTÜ)
Fikret Şenses (ODTÜ)
Funda Barbaros (Ege Ü.)
Galip Yalman (ODTÜ)
Gökçer Özgür (Hacettepe Ü.)
Gökhan Yılmaz (TCMB)
Gül Ertan Özgürer (İzmir Ekonomi Ü.)
Güney Düzçay (ODTÜ)
Hadi Tolga Göksidan (ODTÜ)
Hakan Arslan (Hacettepe Ü.)
Hakan Ercan (ODTÜ & Abdullah Gül Ü.)
Hakan Mihci (Hacettepe Ü.)
Hasan Cömert (ODTÜ)
Hasan Tekgüç (Mardin Artuklu Ü.)
İşıl Erol (Özyeğin Ü.)
İlhan Can Özen (ODTÜ)
Jayati Ghosh (Jawaharlal Nehru U.)
Kamil Yılmaz (Koç Ü.)
Korkut Boratav (Ankara Ü.)
Meltem Dayıoğlu (ODTÜ)
Meneviş Uzbay Pirili (Ege Ü.)
Merve Mavuş Kütük (TCMB)
Mine Şenses (Johns Hopkins U.)
Murat Kırdar (Boğaziçi Ü.)
Murat Koyuncu (Boğaziçi Ü.)
Mustafa İsmihan (Atılım Ü.)
Mustafa Kılınç (TCMB)
Nesrin Dağ (Atılım Ü.)
Nil Demet Güngör (Atılım Ü.)
Oğuz Öztunalı (Boğaziçi Ü.)
Oktar Türel (ODTÜ)
Özgen Öztürk (ODTÜ)

Özgü Evirgen (TCMB)
Özgür Orhangazi (Kadir Has Ü.)
Pınar Bedirhanoglu (ODTÜ)
Pınar Erdem (TCMB)
Recep Boztemur (ODTÜ KKK)
Rıdvan Karlık (Turgut Özal Ü.)
Robert Wade (London School of Economics)
Sedat Aybar (İstanbul Aydın Ü.)
Selim Jürgen Ergun (ODTÜ KKK)
Semih Gökatalay (ODTÜ)
Seven Ağır (ODTÜ)
Sevinç Mihci (Hacettepe Ü.)
Sırma Demir Şeker (Kalkınma Bakanlığı)
Suat Doğruel (Marmara Ü.)
Şemsa Özar (Boğaziçi Ü.)
Şevket Pamuk (Boğaziçi Ü.)
Şirin Saraçoğlu (ODTÜ)
Tanıl Bora (İletişim Yayınları)
Tufan Ekici (ODTÜ KKK)
Turgut Tümer (ODTÜ KKK)
Ummuhan Gökova (Muğla Ü.)
Umut Ünal (Turgut Özal Ü.)
Ünal Töngür (ODTÜ)
Yakup Kepenek (ODTÜ)
Yeşim Uçdoğru (Dokuz Eylül Ü.)
Yılmaz Kılıçaslan (Anadolu Ü.)
Yonca Özdemir (ODTÜ KKK)
Yusuf Soner Başkaya (TCMB)
Zeynep Başak (Bülent Ecevit Ü.)
Zeynep Çevik (ODTÜ)
Ziya Öniş (Koç Ü.)
Zülküf Aydın (ODTÜ KKK)

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Awards

Science Academy Young Scientist Program Scholarship prize in 2015



Assistant Prof. Dr. Serkan Küçükşenel received the Science Academy Young Scientist Program Scholarship prize in 2015. This is a prestigious prize and we would like to congratulate him. We hope he will have many more successful academic years in our department.

For more information:

<http://bilimakademisi.org/bagep/bagep-2015-basvurulari/>

Middle East Technical University Successful Young Scientist Rewards



Assistant Prof. Dr. Dilem Yıldırım Kasap received the METU Successful Young Scientist Award of 2014. Dr. Yıldırım Kasap received the same award in 2013 as well. We would like to congratulate her and we hope she will have many successful years with us.

New Appointments

New Dean and Vice Dean of the Faculty of Economics and Administrative Sciences



Our department member, Prof. Dr. Eyüp Özveren, has successfully been our dean from 2009-2015. Faculty of Economics and Administrative Sciences elected its first woman Dean, Prof. Dr. Özlem Yılmaz. Prof. Dr. Yılmaz is faculty in the Department of Management and has a Ph.D. in Economics. Our faculty member, Prof. Dr. Meltem Dayıoğlu Tayfur, has been selected to be the Vice Dean. We congratulate them both and wish our best in their new appointments.

New Faculty Members

Dr. Mürüvvet Büyükboyacıoğlu (Ph.D. California Institute of Technology) who specializes in Microeconomics, Behavioral Economics, and Experimental Economics and Dr. Onur Koska (Ph. D. University of Otago, New Zeland) who specializes in International Trade have both joined our faculty this year. We would like to extend a warm welcome to our new faculty members.

New Department Secretary



Çiğdem Özkan has joined Devrim Yıldız in taking care of our department. With her many years of service at the university and in our faculty, she will be a fine addition to our administrative staff. We would like to welcome her.

New Emeritus Professors

Over the past two years, five faculty members have retired from the Department. Professors Halis Akder, Erol akmak, Gzin Erlat, Fikret Ŗenses, and Aysit Tansel, after having collectively served the University and Department for more than a century. The Department honored them at a dinner, together with other senior scholars and emeriti faculty, Haluk and Zehra Kasnakoęlu, Yakup Kepenek, Nur Keyder, Cem Somel, and Oktar Trel. We thank them all for their continuing participation as lecturers and their lasting contributions to our Department's legacy.



Mentorship Program

We began the first mentorship program in the 2013-2014 academic year under the supervision of Assistant Prof. Dr. Pınar Derin-Güre. We matched one METU economics graduate with a fourth year student. Our students were very happy and excited to participate in the program. They have been appointed a graduate mentor in the field they have selected. Our mentors reached our students through email, by phone, and face-to-face whenever that was possible. They shared their experiences in the field. We gave a survey at the end of the program and all our students mentioned that the program was either helpful or very helpful, and all of them mentioned that they want to volunteer to be a mentor as well. This academic year we have enlarged our coverage to third year students. A mentor was appointed to both third and fourth year students according to their future work interests. We would like to thank all our mentors who devoted time and energy to helping our students.

Last year Gülis Koral Özgencigör (Econ, 2001) was selected as the mentor of the year based on information from the student surveys. We would like to thank her for her efforts and hope to have her as a mentor in the future as well.

Here are some comments from our students provided from the mentorship survey:

'My mentor was even more enthusiastic than I was and wanted me to tell her the news about my job possibilities. We went through the job offers together and she helped me find someone in the field to inform me more about the field.'

'He was very helpful and he made me feel comfortable. I could reach him anytime I needed help. In addition to this he informed me on issues that I wanted to know more about.'

'My mentor was very warm and helpful. She answered my emails quickly. I think she was the best match according to the mentorship survey I filled in.'

'He was very busy but called me several times even though he was in a different country. In our meetings he was very helpful. The things he said were very memorable and I learned so many new things that I didn't know before.'

'We met face to face and shared our thoughts on important issues.'

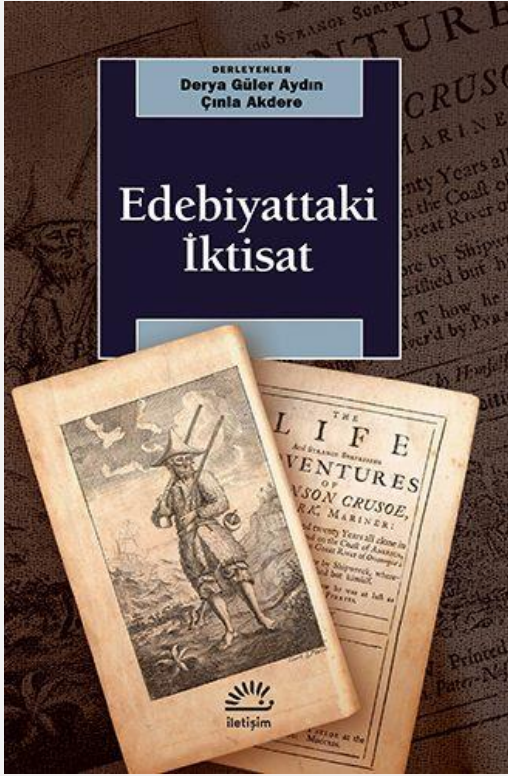
If you are a METU Econ Graduate and would like to help us please fill in the survey through the link provided below and volunteer to be a mentor for 2016.

https://docs.google.com/forms/d/1x2XFWHJ49J2gQNvo6wcy7QnF4E2MjuOWFhrV1Heqsx4/viewform?usp=send_form

Our students will receive an email with a different survey link on the subject.

We really appreciate your help. If you would like to get more information about our program or have questions please send us an email through pderin@metu.edu.tr

"EDEBİYATTAKİ İKTİSAT" by Derya Güler Aydın and Çınla Akdere



Creation of literary works can be analyzed in the context of the economic problems that influence their construction process and it is possible to view ideas of literary authors as their dialogues with other disciplines. Edebiyattaki İktisat is a compilation of articles that analyze various reflections of the relation between literature and economics through the eyes of economics rather than from those of literary critics. This is a publication for those who wish to rethink literature in light of economics and to see economics through the mirror of literature.

It is an in depth discussion which suggests rethinking literature together with economics but never gets stuck in an economic point of view: Contributions from Oktar Türel, Eyüp Özveren, İbrahim Korkmaz, Metin Sarfati, Derya Güler Aydın, Adem Levent, Bahar Araz Takay, Mehmet Gürsan Şenalp, Esra Güngör-Şenalp, Metin Arslan, Hüseyin Özel, Alp Yücel Kaya, M. Erdem Özgür, Çınla Akdere and Erkan Erdemir.

Küresel Kriz ve Yeni Akademik Düzen by Fikret Şenses, Ziya Öniş, Caner Bakır



International economic and political systems are in transition. The global economic crisis, which started in 2008 has affected most of the Western countries, along with developing countries such as Turkey. The crisis has accelerated the transformation in international economic and political systems and has also led to a paradigm shift. This has no doubt increased the significance of the 2008 crisis. *Küresel Kriz Ve Yeni Ekonomik Düzen* provides a detailed examination of the main dimensions of the crisis on the basis of the experiences of major international institutions and different countries, including China, Brazil, India, Russia, and Turkey. The book, taking a comprehensive approach, provides an in-depth analysis of the situation before the crisis, the impact of the crisis and the response to it as well as post-crisis scenarios. It explains the dynamics of the changes created by the first global crisis of the 21st century as well as the barriers in front of these changes.

¹ Listed in alphabetical order according to the last name of the first author.

Uzun 19. Yüzyılda Orta Avrupa (Bir Habsburg Üçlemesi)' by Oktar Türel



This study is, essentially, about the social histories of three major constituent parts of the Austro-Hungarian Empire, i.e. Austria proper, the Kingdom of Hungary and the Czech lands. By and large, it spans an age, which starts with the economic and political revolutions of the late XVIII. Century and ends with the outbreak of the I. World War. Occasional references to earlier and later periods are also added, whenever needed.

The historical narratives in the text concerning these regions are not confined to the characteristic features of that age such as the evolution of nation-states, industrialization and modernization, but also include some aspects of development in modern arts as indispensable components of the whole spectrum of social change. These aspects are introduced into the narrative primarily through the career stories of some distinguished artists working in the fields of "plastic" arts and architecture, and are demonstrated by various colour plates in the book.

The study concludes with a brief and selective review of the social science literature on nations and nationalism. Such a review is considered to be relevant not only to Central Europe in that age so as to link the individual stories of countries concerned with each other, but also to the "emerging" nations of the XX. and XXI. Centuries.

“Türkiye Ekonomisinin Dünü Bugünü Yarını” by Emre Özçelik and Erol Taymaz:



Articles in the book examine economic constraints; political choices and social problems related to the Turkish economy, as well as policy recommendations to these constraints, choices and problems. This compilation involves detailed analyses of a wide range of issues in the Turkish economy, such as technological progress, labor market, financial developments, foreign trade, agricultural and housing sectors, poverty, victims of privatization, etc. The book has a pluralistic approach in

terms of analyzing the issues within both microeconomic and macroeconomic contexts, along with a political-economy perspective. Considering how the Turkish economy was administered and how well it performed, the book casts light on the recent history of the Turkish economy on a social-scientific basis.

The book has been compiled in honor of and as a gift for METU-Economics Emeritus Professors Dr. Yakup Kepenek and Dr. Oktar Türel, who have made many significant contributions to the examination and analysis of the Turkish Economy.

Congratulations to all our new Alumni members!

We congratulate our highly qualified and talented graduates and offer them our best wishes!

The Department values our alumni and appreciates that they are very important for the continued success of our programs and students.

We would like to send special thanks to all of our active alumni who continue to support our students and the department, and stay connected with us. New graduates and alumni are encouraged to stay in touch and keep us updated of their current roles. Please send us your contact information so we can be sure to keep you involved with all our upcoming alumni activities. You can send us your contact information through the [link](#).



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Administrative Sciences

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Please visit our website for detailed and updated information about our undergraduate, MA and PHD programs, our faculty research interests and publications and any news regarding the department.

Department Facebook page:

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Linkedin alumni group:

<http://linkd.in/1Hfs6hi>