

October 23, 1985
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Teatime

Priscilla K. Gray and the members of the Women's League invite all women of the MIT community to a tea this afternoon (Wednesday, Oct. 23), 3:30-6pm at the President's House, 111 Memorial Drive. Features at the tea will include Women's League activities and a display of books by MIT-affiliated women.

Wasting away

Dr. Gordon F. Bloom, a senior lecturer at the Sloan School of Management and a specialist on law and government regulation of business, will discuss the broad implications of hazardous waste disposal Wednesday, Oct. 30, noon-2pm in Rm 9-150. The problems posed will affect the cost of consumer goods, the tax rates of cities and towns as well as the solvency of many leading corporations.

The talk is part of Perspectives, a series of seminars for the Institute cosponsored by the Personnel Office, the Sloan School and the Office of the Provost.

Pass the word

Are any of your friends, relatives or neighbors interested in working at MIT in a support staff position? If so, the Personnel Office would like to talk to them about varied and interesting employment opportunities now available. The Personnel Office will be open Tuesday, Oct. 29, 5-7pm, for interviews with those interested. For further information, call x3-4251.

IAP progress

Good news! If you are organizing an IAP activity and you have an Athena account, you can fill out and submit your IAP activity listing form via computer.

This step toward making IAP information more timely and accessible was arranged by Project Athena and the IAP Office. Efforts are also being made to put the IAP Guide on-line for this January. Using the on-line form will ensure that listings are published more accurately and efficiently.

Filling out the on-line activity listing form is easy. After you have logged on, simply type the command "iapform" and press return. The form, complete with directions, will appear on the screen. When you have finished, the form will automatically be sent to the IAP Office.

The deadline for submitting listings is Thursday, Oct. 31.

Peace Corps visit

Peace Corps representatives will be on campus October 24 and 28 to talk to people interested in serving in the Peace Corps which has ongoing projects in 60 developing countries. Prospective volunteers should attend a film and information session Thursday, Oct. 24, at 7pm in Rm 4-159.

Deadline coming

The deadline for submitting proposals for special summer programs for 1986 is Monday, November 4. Send proposals to the Office of the Summer Session, Rm E19-356.

Erratum

The item calling for nominations for Rhodes Scholarships in the last Tech Talk was misleading in that there is no limit on the number of nominations MIT may make. However, time is short so students interested in applying should call Professor Eugene B. Skolnikoff, x3-3140, Rm E38-648, as soon as possible.



Lights, cameras, balloons, action. Newspaper and television reporters and photographers besiege Professor Franco Modigliani at a Sloan School press conference following his selection as the 1985 Nobel Prize winner in economics. —Photo by Calvin Campbell

A 'day of days' for Franco Modigliani

By CHARLES H. BALL
Staff Writer

Franco Modigliani's day of days (in a year of years) began at 7 in the morning October 15 with a telephone call to his Belmont home from the Royal Swedish Academy of Sciences informing him that he had won the 1985 Alfred Nobel Memorial Prize in Economics.

It was the beginning of a joyous and exhausting 12 hours that ended in a Cambridge television studio with Professor Modigliani telling a national TV audience pretty much what he had been saying to

interviewers from near and far all day at MIT—that the Reagan administration's failure to cope with the nation's growing deficit could have ruinous consequences.

The television appearance, in a quiet, nearly deserted studio at WGBH-TV, also offered a stark contrast to an otherwise hectic day that included a high-spirited—one newspaper called it festive—press conference at the Sloan School of Management.

It was there at mid-morning that the 67-year-old Institute Professor was greeted by applause from students, faculty members and

administrators, several of whom then toasted him with champagne. They included Provost John M. Deutch, Dean Ann F. Friedlaender of the School of Humanities and Social Science and Professor Peter A. Diamond, head of the Department of Economics. Dr. Modigliani holds dual appointments in the department and the Sloan School.

Standing beside Dr. Modigliani, as she continued to do throughout the day, was his
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Ceramics may provide answer to radioactive waste disposal

By SHAWNA VOGEL
News Office Intern

Research on ceramic materials, which may yield a means for long-term storage of the radioactive waste from nuclear reactors, is underway at MIT.

A research group headed by Professor Linn W. Hobbs of the Department of Materials Science and Engineering, is exploring how ceramics behave over a long period of time in

a radioactive environment such as that which will occur if ceramics are used to encapsulate and neutralize in nuclear waste disposal.

According to Professor Hobbs, ceramics theoretically are best suited for waste disposal because of their stability over geological time periods.

"You ask yourself, what in nature has stuck around for four billion years un-
(continued on page 7)

South Africa forum takes shape

The new Institute Colloquium Committee will sponsor a two-day forum on apartheid Wednesday and Thursday, Nov. 6 and 7. Professor Robert I. Rotberg, chairman of the planning subcommittee has announced. The preliminary program includes:

—A keynote address on "The Battle for South Africa" by Dr. Nthato Motlana, chairman of the Soweto Committee of Ten and the Soweto Civic Action Committee, and a long-time militant political activist. He will speak November 6 at 3:30pm in Kresge Auditorium.

—Workshops on various specific South Africa-related issues on November 6 at 7:30pm. Leaders so far enlisted include Roy Schotland, professor of law at Georgetown University Law School, who will discuss "Immorality, Ineffectiveness, and the Illegality of Absolute Dissent," at Ashdown House, and Joel Clark, associate professor of materials systems at MIT, whose topic will be "The Myth of South Africa's Strategic Minerals," at East Campus. There also will be further discussion with Dr. Motlana in McCormick Hall.
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MIT's Nobelists

Professor Franco Modigliani is the sixth member of the MIT faculty to become a Nobel Laureate. The others are:

Dr. Samuel C.C. Ting of the Department of Physics, holder of the Thomas Dudley Cabot Institute Chair, who shared the 1976 prize in physics for the discovery of a new kind of heavy elementary particle.

Dr. David Baltimore of the Department of Biology, director of the Whitehead Institute for Biomedical Research, who shared the 1975 prize in medicine or physiology for discoveries concerning the interaction between tumor viruses and genetic material of cells.

Dr. Paul A. Samuelson of the Department of Economics, who received the 1970 prize in economics for his efforts to raise the level of scientific analysis in economic theory.

Dr. Salvador E. Luria of the Department of Biology, who shared the 1969 prize in medicine or physiology for his work with virus injection in living cells.

Dr. Har Gobind Khorana, Alfred P. Sloan Professor of Biology and Chemistry in the Department of Biology, who shared the 1968 prize in medicine or physiology for his work with genetic coding.

XXI marks three decades of liberal learning

By TRAVIS R. MERRITT
Professor of Literature and Director of the Humanities Undergraduate Office

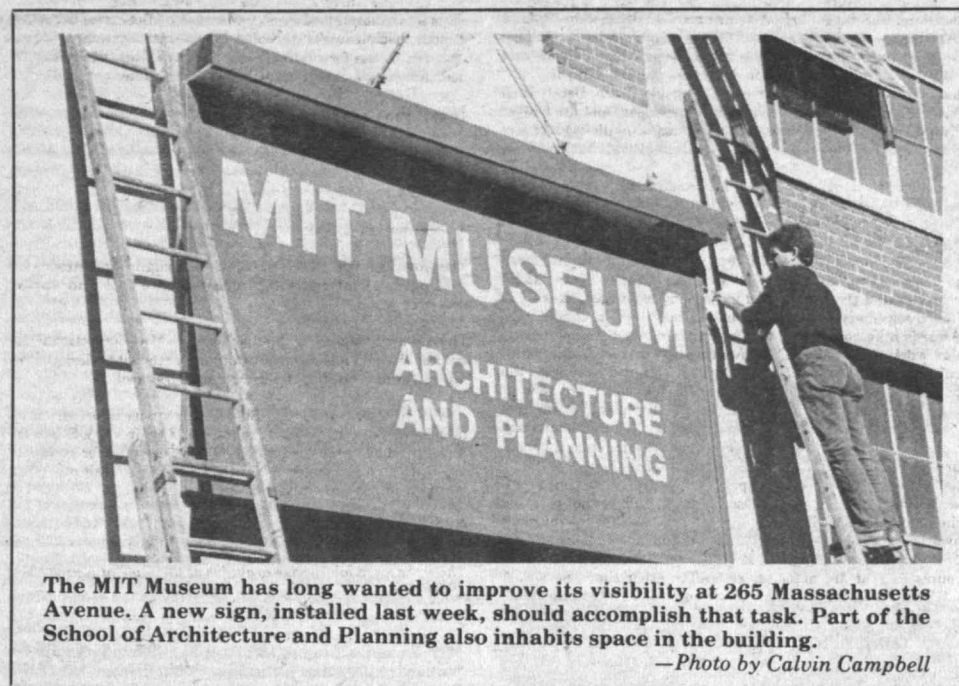
During his undergraduate years at MIT, the president and chief executive officer of the New England Medical Center majored jointly in history and biology. The internationally known multimedia sculptor focused on literature, visual design and mechanical engineering. For the principal cellist of the Monte Carlo Philharmonic Orchestra, the combination was history and mathematics. Anthropology and aeronautics absorbed the interest of the woman who would become contamination control engineer in space program research for the

Jet Propulsion Lab. What these diverse four people hold in common is the SB in Course XXI.

In an MIT atmosphere crackling these days with talk of a "new liberal arts," "dual literacy," and "integrative education," Course XXI this year enters the fourth decade of its commitment to these very goals. The formal observance of the occasion will be this week's Course XXI 30th Anniversary Convocation (Friday and Saturday, October 25 and 26) in which alumni and current majors, joined by active and emeritus faculty, invite the Institute community to discuss a variety of topics under the central theme, "How Many

Cultures Now?—What An Educated Person Should Know."

Established in 1955, Course XXI was part of a broad movement of educational reappraisal and change which stirred MIT profoundly in the decade following World War II. The 1949 landmark Report of the Committee on Educational Survey (the Lewis Committee), prompted by a sense of nuclear urgency and a heightened awareness of the Institute's special responsibility to society, set forth principles for strengthening the humane "general education" which should accompany all professionally specialized studies. On one hand this led to
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The MIT Museum has long wanted to improve its visibility at 265 Massachusetts Avenue. A new sign, installed last week, should accomplish that task. Part of the School of Architecture and Planning also inhabits space in the building.

—Photo by Calvin Campbell

Five are appointed ILP officers

Dr. James Utterback, director of Industrial Liaison Program (ILP), has announced the appointment of five new Industrial Liaison officers.

The officers, four of whom are MIT graduates, are engineers or scientists whose education and professional experience closely parallel the principal interests of the ILP member companies to which each officer is assigned. Appointed are:

—Marc J. Chelemer of Pittsburgh, Pa., a former assistant staff engineer with the Linde Division, Union Carbide Corporation, from 1981-85. He was also an engineering associate in the production research department of Gulf Research and Development Company in 1980 and research associate for MIT's Project Proceed from 1979-80. He received the SB degree in chemical engineering in June 1981.

—Diana V. Garcia-Martinez, of Mexico, was responsible for start-up and general operating procedures of a 100 liter fermentation pilot plant at du Pont New England Nuclear Products in Massachusetts from 1981-85. She was also a research associate at the New England Enzyme Center, Tufts University, from 1980-81; quality assurance manager of Enmex S.A. de C.V., Mexico City, Mexico; staff engineer at the Dynatech Company, Cambridge, from 1978-79; and lecturer in industrial microbiology from 1974-76 at the Instituto Politecnico Nacional, Mexico City.

—Ms. Garcia-Martinez, who has published in various journals, is fluent in Spanish, English and French. She is a member of the Society for Industrial Microbiology, American Society of Microbiology.

She received the BS degree in biochemical engineering in 1974 from the Instituto Politecnico Nacional, Mexico City, and the SM in biochemical engineering (fermentation technology) from MIT in 1978. She was also a special research student at Osaka University, Osaka, Japan from 1972-73.

—Ms. Garcia-Martinez, who has published in various journals, is fluent in Spanish, English and French. She is a member of the Society for Industrial Microbiology, American Society of Microbiology.

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Ms. Garcia-Martinez Mr. Lonnie

—Kevin E. Lonnie of Alberton, N.Y., former strategic planner for the Petroleum Product Department, Exxon Corporation, where he also served in various divisions as a senior international auditor of Esso Eastern, Inc., Southeast Asian affiliate of Exxon; senior analyst of strategic planning and evaluation; and financial reporting manager.

In addition, he was a staff assistant at the MIT Office of Personnel and Labor Relations

from 1980-81; and credit analyst/assistant treasurer, Chase Manhattan Bank, New York City.

Mr. Lonnie received a bachelor's degree in economics from Princeton University and a master's degree in management science from the Sloan School of Management in 1981. He also attended New York University Graduate School of Business Administration from 1977-78, where he studied corporate finance, accounting, and quantitative and statistical methods.

—Laura Mary Robinson, of Cambridge, was formerly employed by Merck, Sharp and Dohme (MSD), West Point, Pa., as a marketing research analyst from 1983-85, and a professional sales representative from 1982-83. She also performed initial financial and marketing analysis there for acquisition candidates during summer 1981.

Earlier she was a production supervisor at Procter and Gamble, research assistant at Monsanto Company and a technician in scientific and engineering research, Ford Motor Company.

Ms. Robinson was graduated from MIT in 1980 with an SB degree in materials science and engineering, and from the Wharton School of Business in 1982 with an MBA in marketing. She was a National Merit Scholar, National Fund for Minority Engineering Students Scholar and a recipient of the MIT Albert G. Hill Award for contributions to minority community life. She was a member of the MIT junior varsity volleyball team and Choral Society.

She is a member of the Wharton Club of Philadelphia, Black Alumni Society of the University of Pennsylvania and the American Association of University Women.



Ms. Robinson Ms. Vander Sande

—Marie-Teresa Vander Sande of Newbury is a former market research consultant. Since November 1982 she has been president of Vander Sande Associates, Inc., a corporation she founded with her husband, Professor John Vander Sande of the Department of Materials Science and Engineering.

Ms. Vander Sande received the BS degree in materials science and engineering from Cornell University and an MS degree in Materials Science and Engineering from Northwestern University.

Before forming the consulting company, she had managed the market research function at Millipore Corporation. She was also a member of the materials group at Arthur D. Little, Cambridge, from 1973-78 and had been a materials engineer in the Aircraft Engine Division at General Electric, Lynn.

Ms. Vander Sande is a past chairman of the Boston Chapter of the American Institute of Mining, Metallurgical and Petroleum Engineers. She is now a member of the 1986 Antiques Show Committee for the Newburyport Custom House Maritime Museum.

She and her husband have two children aged four and five, and live in a 300-year-old house furnished with the 17th and 18th century American antiques they actively collect.

Since its founding in 1948, the Industrial Liaison Program has helped its members stay at the leading edge of advances in science, engineering and management, allowing them to assess the potential of emerging technologies for the marketplace. In the rapidly changing world of business, the Program is a particularly valuable resource to tap in making crucial business and technical decisions.

New professorships at Sloan

Dean Abraham J. Siegel of the Sloan School of Management has announced the appointment of three faculty members—Thomas J. Allen, Thomas W. Malone and Thomas L. Magnanti—to three new professorships at the school.

In addition, Arnaldo C. Hax has been named to succeed Eli Shapiro as the Alfred P. Sloan Professor of Management, and Paul A. Samuelson has become the Sloan School's first Gordon Y. Billard Fellow.

Dr. Allen has been appointed to a three-year term as Gordon Y. Billard Fund Professor of Management, which is the third Billard professorship at the Sloan School. The others are in finance and in management and economics. All have been provided by the late Mr. Billard, who received the SB in management from MIT in 1924.

Dr. Allen, who has been professor of organizational psychology and management, has focused on the management of research and development. Dean Siegel said his work has involved "a painstaking tracking of the flow of technical information in a system and the occurrence of innovation as a result of it."

Professor Allen was appointed assistant professor at the Sloan School in 1966 after receiving the BS in physics in 1954 from Upsala College, and both the SM in electrical engineering and management and PhD in management from MIT, in 1963 and 1966.



Dr. Allen Dr. Malone

Dr. Malone has been named to a three-year term as the first Douglas Drane Career Development Professor in Information Technology and Management. The chair will give support to promising, outstanding scholars working at the frontiers of management science.

Dr. Malone works in the field of management information systems. "Trained as a psychologist," Dean Siegel said, "his research has been directed at a number of topics related to human problem solving and has emphasized a wide range of theoretical and methodological approaches."

Dr. Malone, who has been associate professor of management science, received the BA in mathematical sciences in 1974 from Rice University and three degrees from Stanford University, the MA in psychology in 1977, the MS in engineering-economic systems in 1979 and the PhD in psychology in 1980. Before joining the MIT faculty in 1983, he was a research scientist at the Xerox Palo Alto Research Center.

Dr. Magnanti has been named to the newly established George Eastman Professorship of Management Science, made possible by contributions from the Eastman Kodak Company and from two donors who prefer to remain anonymous. The naming of the chair continues a relationship that has linked Kodak and MIT since early this century when George Eastman anonymously made a major personal gift to the Institute. In addition, a number of the Eastman Kodak Company's key officers have received part of their education at the Sloan School.

Dean Siegel said that Dr. Magnanti's wide-ranging research "has covered a mix of theoretical and applied studies involving mathematical programming. His theoretical interests in combinatorial and network optimization, in nonlinear programming and in large-scale systems has considered such diverse topics as matroids, duality and convex analysis and efficient computer implementation of optimization algorithms. His focus on applications has been addressed for the most part to various aspects of distribution and transportation planning."

Dr. Magnanti, who has been professor of operations research and management, re-

Aussie poet to visit

Les Murray, widely regarded as one of the most significant poets to emerge from Australia in the past two decades, will offer a reading of his work on Wednesday, Oct. 30, in the MIT Student Center's Mezzanine Lounge at 8pm.

Winner of the 1984 Canada-Australia Literary Prize, Mr. Murray's poetry collections (*The People's Otherworld*, *The Weatherboard Cathedral*, *Poems Against Economics*, *Lunch & Counter Lunch*, *Ethnic Radio*) have been praised as having "immediate impact," "emotional force," "generosity, and vision." He is also a lively, unconventional and provocative critic (*The Peasant Mandarin: Prose Pieces* by Les A. Murray), most noted for his proposal that poets ought to be paid a living wage for writing the same poetry that literature and writing professors are paid to teach.

In addition to the evening reading which is free to the public, Mr. Murray will visit poetry classes in the Writing Program on October 31.

ceived the BS in chemical engineering from Syracuse University in 1967, and three degrees from Stanford University, the MS in statistics in 1969, the MS in mathematics in 1971 and the PhD in operations research in 1972. He came to MIT in 1971 and has headed the Sloan School's Management Science Area since 1982.



Dr. Magnanti Dr. Hax

Dr. Hax, the new Alfred P. Sloan Professor of Management, has been professor of management science. He is widely known for his research and writing in the fields of strategic business planning, management control, operations management and operations research. He has made important contributions to management science through the application of operations research methods to a wide variety of industrial and business problems.

A native of Chile, he received his undergraduate degree in industrial engineering from Catholic University in Chile in 1960, the MS in industrial engineering from the University of Michigan in 1963 and the PhD in operations research from the University of California, Berkeley, in 1967. He joined the MIT faculty in 1972 after spending two years as a lecturer at the Harvard Business School. Earlier he had been a management consultant in operations research for Arthur D. Little, Inc., and a specialist at the Operations Research Center at the University of California, Berkeley. He also had been a member of the faculty at Catholic University in Chile.

Dr. Samuelson, Institute Professor and professor of economics emeritus, is one of the

world's most renowned economists. Among his many awards and honors was the Alfred Nobel Memorial Prize in Economic Science for 1970. The Nobel citation noted that he had "done more than any other contemporary economist to raise the level of scientific analysis in economic theory."

In announcing Dr. Samuelson's appointment as Billard Fellow, Dean Siegel said, "we are honored indeed that he will continue at the Institute as an active colleague for two more years at least, and I am personally gratified that he will grace the Sloan School's roster through this appointment."

Who would you like to hear at commencement?

The Commencement Committee invites recommendations for speakers and/or topic areas from all members of the MIT community for a speaker at MIT's Commencement, Monday, June 2, 1986. The Commencement speaker should be one who will be able to address topics of relevance to MIT. Written nominations and topic areas may be dropped off at the following locations:

—The Undergraduate Association Office, Rm W20-401.

—The Graduate Student Council Office, Rm 50-222.

—The Information Center, Rm 7-121.

Deadline for nominations and suggestions is November 6.

In addition to the locations above, suggestions may be filed with any member of the speaker subcommittee of the Commencement Committee. They are: John H. Slater, chairman; Donald R. F. Harleman, ex-officio and chairman of the Commencement Committee; William J. Hecht, executive vice president of the MIT Alumni Association; Vivienne Lee, senior class president; Walter L. Milne, assistant to the chairman of the Corporation and assistant to the president; Mary L. Morrissey, executive officer for Commencement; and Janine M. Nell, president of the Graduate Student Council. The speaker subcommittee will review all suggestions and make a short list for submission to President Gray. The list will not be made public nor will it be rank ordered. The responsibility and authority for selecting a Commencement speaker and issuing an invitation will rest with Dr. Gray.

A 'day of days' for Franco Modigliani

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wife of 46 years, Serena.

There were brief remarks by President Paul E. Gray, Sloan School Dean Abraham J. Siegel and another Nobel laureate in economics from MIT, Professor Paul A. Samuelson, who greeted his close friend with the words, "Hail, Caesar." And if Professor Modigliani's silvery hair was in place—it isn't always—it was because he had borrowed Dr. Samuelson's comb moments before.

Professor Samuelson, in 1970, was the first American to receive the Nobel economics prize. The announcement of Dr. Modigliani's award marked the 13th time in the 17 years the prize has been given that an American has won or shared it. Dr. Modigliani told the press of his unusual wakeup call from Sweden, proclaiming it "the best alarm clock I've had in a long time." He also said he hadn't seen a copy of the citation, but presumed the award was primarily for his theories of savings and corporate finance, which proved to be correct.

Actually, the citation had drawn particular attention to the practical applications of Dr. Modigliani's work. His analysis of savings, the five-member selection committee said, had been "extremely important" in determining the effects of different types of national pension programs. And his work in the area of financial markets, they said, had helped lay the foundation for the entire field of corporate finance.

The committee also noted that his theory of corporate finance, now so routinely accepted, had flown in the face of traditional wisdom. "That is the true test of a brilliant theory," said a committee member. "What first is thought to be wrong is later shown to be obvious."

Dr. Modigliani's basic research in savings, called the "life-cycle" theory, was published in 1954. He was helped in his research by a student, Richard Brumberg, who died of a brain tumor when he was 25. The theory explains household saving by linking it to individual behavior, economic growth and demography. It holds that people save for their retirement—but only for their own old age and not their descendants.

In his work with financial markets, Dr. Modigliani analyzed the effect of any company's financial structure on the stock market's view of its value. He and an associate, Merton Miller, concluded that the market value of a company had no genuine relationship to the size and structure of its debt. Instead, they found, stock market values are determined mainly by what enterprises are expected to earn in the future.

Before the cameras and bright lights in the Sloan School's Schell Room, Professor Modigliani praised "the great institution of MIT—a marvelous place where everything is done to make your work a success." An unabashed MIT rooster, Professor Modigliani had begun the day wearing his MIT tie (early photographs show it), but discovered a spot on it and switched to another tie of conventional design.

Soon after he began speaking, he laced into President Ronald Reagan. "I think one of the biggest surprises of our life... is how a man like the president could have... gotten elected on the grounds that the deficit was the greatest curse that ever occurred and caused all kinds of harm... Then this man has suddenly turned around and... somehow his administration explains that the deficit does not reduce savings," Dr. Modigliani said.

Peace Prize pleases physician

When the Norwegian Nobel Committee gave its Nobel Peace Prize for 1985 earlier this month to the International Physicians for the Prevention of Nuclear War, it honored an organization with 135,000 members in 41 countries. But the award had special significance for Dr. Eric S. Chivian, an MIT staff psychiatrist since 1980.

Dr. Chivian, who has documented children's fears of nuclear war in this country, the Soviet Union, Britain and Hungary, is one of the founders of the worldwide organization of physicians cited by the Nobel committee. As such, he plans to be present in Oslo in December when the prize is accepted by Professor Bernard Lown of the Harvard School of Public Health and Dr. Yevgeny Chazov of the Soviet Union on behalf of the organization. The two men, both cardiologists, founded the organization along with Dr. Chivian and four other physicians—two American and two Soviet—and share the title of president.

Dr. Lown, with other Boston-area physicians, formed a group in 1961 called the Physicians for Social Responsibility, focusing its attention primarily on the nuclear war issue. That group lost its momentum in the late 1960s, overwhelmed by such causes as the Civil Rights movement and the Vietnam war. It was revived in 1978 by Dr. Chivian along with Drs. Helen Caldicott and Ira Helfand.

Dr. Lown again became involved in the group and arranged a 1980 meeting in Geneva with Dr. Chazov, out of which grew the present international organization.

Dr. Chivian said last week he expects the Nobel award to give new impetus to the work of the physicians' group. "If you look at what happened to Desmond Tutu (the South African



Accompanying Professor Modigliani at the news conference were his wife, Serena, at left, and Dean Abraham J. Siegel of the Sloan School. —Photos by Calvin Campbell

Looking at some of the assembled students, he charged that the administration's fiscal policies were ruining their future. He added, "We are ruining the rest of the world, and all of that because the president says that the last thing we're going to do is raise taxes. Well, hell!"

When the press conference ended, Professor Modigliani returned to his office on the fourth floor of the Sloan Building to begin a nonstop series of in-person and telephone interviews that left him little time to savor his latest honor. His lunch was to be a takeout cup of coffee and a turkey sandwich that he gulped down from time to time.

Newspaper and magazine photographers took pictures of him at his desk against a backdrop of a dozen brightly-colored balloons. One photographer convinced him to go downstairs for a shot with the Boston skyline at his back. When another took picture after picture after picture, Dr. Modigliani wryly wondered why it was necessary to work so hard to get an attractive picture. "I think I should be insulted," he joked.

In the eye of the storm stood Dr. Modigliani's administrative assistant, Judy Mason.

As messages piled on his desk, and interviewers crowded in on him, the besieged professor showed remarkable calm and patience, talking to reporters in English, Italian and French, as the situation demanded.

He talked about economics—and other things. No, he is not related to the painter of the same name. Yes, he has two sons, Andre, 45, a professor of sociology at the University of Michigan, and Sergio, 39, of Brookline, an architect. How is his name pronounced? "Mod-deel-YAH-nee." Yes, he likes to ski and play tennis, and he intends to use some of his \$225,000 prize money to upgrade his laser-class sailboat. No, he won't splurge, but will follow his own theories and spread out his spending.

In his native Italy, Professor Modigliani is even better known than he is in the United States. Italian television, newspaper, magazine and radio reporters vied for his time—

and he seemed to recharge himself when talking to them. "It's their warmth and enthusiasm," Mrs. Modigliani suggested.

One caller, a friend at a university in Bologna, told her the people there were celebrating his achievement and that some were even crying with joy.

The congratulatory telegrams that poured in included one from the president of Italy.

Dr. Modigliani, who is Jewish, fled Italy in 1938 to escape the fascist regime, but he openly expresses his warmth for the country and has kept in close touch with the Italian political and economic scene. He came to the United States from France, where he and Serena were married, in 1939. He has degrees from the University of Rome and the New School for Social Research in New York City. He taught and did research at several universities before joining the faculty at the Carnegie Institute of Technology in 1952. He came to MIT 10 years later as a professor of economics and finance and was named an Institute Professor in 1970.

As a mark of his stature, he is the only man ever to be elected president of both the American Economic Association and the American Finance Association.

Finally, as his day wound down and he emerged from his office, colleagues who had not been able to see him earlier came to him with embraces and warm words. He is greatly admired among economists for his personal qualities as well as his intellectual rigor, as several newspaper writers were to note the next day.

His last responsibility this day (he had to be up early the following morning for an appearance on the "Good Morning America" television show) was an interview on the MacNeil/Lehrer Newshour on public television, to be done via remote broadcast from the Channel 2 studios in Allston.

A slight, normally feisty man, he was showing the effects of the nonstop activity. A companion tried to give him a boost by saying it was a "once in a lifetime" situation. Yes, he said, it certainly was that.

As he sank into the back seat of a cab, he commented on what an incredible year it had been. He was selected to receive the 1985-86 James R. Killian Jr. Faculty Achievement Award last May (he will deliver the traditional Killian lectures April 2 and 9). In September, about 50 former students and colleagues honored him by conducting a conference on his work in Martha's Vineyard, where he has his vacation home. And now he had become the sixth Nobel laureate on the MIT faculty and will go to Stockholm with his family to receive the prize on December 10.

On the news program, he again insisted that the administration should begin attacking the deficit immediately by making cuts in military and civilian expenditures and raising taxes. On this subject, he was stern, even angry.

On a different note, he said he intended to continue what he has been doing, particularly because he enjoys his students so much.

After the broadcast, he stopped to chat with another guest, a Filipino exile who spoke in Spanish, not a language Dr. Modigliani speaks, but one he understands. And in the darkened lobby, waiting for a cab, he talked with a woman holding a child, mentioning his own four grandchildren. She said she had seen him on television earlier that day and that it was a great honor to meet him in person.

Then he got into his cab and went home.



Dr. Chivian in the Medical Department atrium.

Press clippings

Here is what some newspapers said about Professor Franco Modigliani:

The choice of Franco Modigliani as winner of the Nobel Memorial Prize in Economics is a popular one among economists, a tribe often given to highly refined and sometimes vocal dispute. "Economists all over the world are students, admirers and friends of Franco Modigliani," said Paul A. Samuelson of MIT.

Associates describe Professor Modigliani as a man who quickly grasps complex issues and cuts to the core, pinpointing the assumptions upon which an academic argument is made. "[He is also] a team player, someone who shows no hesitation about working in a group or sharing research ideas."

"His hair is usually in disarray, and his clothes are always out of control," an acquaintance said. "He is forgetful and his office is stacked with books, articles and journals."

—Eric Berg, The New York Times

The award to Modigliani, an extremely well-liked man, was applauded across the spectrum of professional economics. Said Samuelson, "With many people with respect to the Nobel Prize, it's a question of 'if' with Franco, it was only a question of 'when'...

[At a gathering of economists last month near Modigliani's summer home in Martha's Vineyard], MIT's Robert Solow cracked that he had discovered that Modigliani's name was not Italian, but rather Wampanoag Indian. "It means either 'great creator' or 'great destroyer,' but it's not clear which," he said. The point was that while Modigliani's career exhibited both remarkable versatility and unusual duration—four decades since his first important paper—his most striking gift was an ability to remain in nearly constant connection with views of those around him. Whether creating new ways of seeing or combatting them, Modigliani has led a rich, dense life in economics...

...an unreconstructed Keynesian of liberal views [he] has nevertheless managed to keep up with the changing times in an era of surging technical sophistication...

Nor has he been in any sense an ivory-tower economist. Peter Diamond, chairman of MIT's economics department, pointed out that it was Modigliani who took five years to build the large-scale model of the US economy that the Federal Reserve System still uses to gauge the expected effects of policy...

Throughout his career, Modigliani remained in close touch with the Italian political scene, where he enjoys a popular celebrity far beyond his American fame. He writes for a leading news magazine, advises politicians and the central bank, and has brought a series of remarkable Italian students to MIT, causing the magnetic pole of Italian economics to switch from Cambridge, England... to Cambridge, Mass...

...it [is] his personal style, not his theoretical achievements, to which economists return again and again. For example, John Bossons of the University of Toronto, an early collaborator, said, "He is a very enthusiastic advocate and has inspired a lot of people."

—David Warsh, The Boston Globe

"There's something central about his work," said Robert Heilbroner, an economist at the New School for Social Research, where Mr. Modigliani received his doctorate in economics in 1944. "He has a sense of what really matters."

In the mid-1970s, Mr. Modigliani predicted that the stock market would appreciate greatly because it hadn't properly accounted for the effects of inflation. He said that he still considers the stock market undervalued, "but not by much." Lately, he said, he has invested in long-term bonds because he believes interest rates will come down over the next few years...

He said he hadn't decided what to do with the \$225,000 Nobel Prize money, but he added that his wife takes care of family finances. "She asks my advice and then does what she thinks best," he said. "She does better than me at it."

—Bob Davis, Wall Street Journal

If Professor Modigliani soothed this listener, it was not because of what he said about current national deficit-spending: "a disastrous policy which is going to be very costly—not to me, because I am old, but to you who are very young." It was, rather, his description of individual economic life. He made the people, if not the government, sound as if we are behaving quite rationally.

—Ellen Goodman, The Boston Globe

Back program set

The Medical Department will offer its "Take Care of Your Back" program beginning Tuesday, Nov. 5, for three consecutive weeks. Led by Adele Smity, physical therapist in the Athletic Department, the program will meet noon-1pm in the Medical Department conference room (E23-297).

The program is focused on preventing back pain. Slides will be shown illustrating proper body mechanics and exercises to strengthen the back. Wear slacks or comfortable clothing to do exercises.

Preregistration is required. The fee is \$20 for students and MIT Health Plan members; \$30 for others. Call the Health Education Service, x3-1316, for further information or to sign up.

Talbot House available

Talbot House, MIT's retreat in Woodstock, Vt., has December weekends available. Any MIT group of 15-27 people may apply to enjoy a relaxing, informal weekend there. Applications for December must be made by October 31. For further information and applications, see Sharon Shea, Rm 7-103, x3-4158.