

Short Biography

Edmund Phelps

Edmund S. Phelps was born in 1933 in Chicago and grew up in Hastings-on-Hudson, N.Y. He received his B.A. from Amherst College in 1955 and his Ph.D. from Yale in 1959. After appointments at Yale and Penn he joined Columbia in 1971 and was named McVickar Professor of Political Economy in 1982. He founded Columbia's Center on Capitalism and Society in 2001. He received the 2006 Nobel Prize in Economics.

A thread running through his work is his effort to put people as we know them into economic models – to take into account the incompleteness of their information and their knowledge and to study the effects of their expectations and beliefs on market outcomes. He has adopted this perspective in studying unemployment, economic growth, business swings and economic dynamism.

Professor Phelps first became known for his studies of productivity – R and D, education and the “golden rule” – at Yale's Cowles Foundation in the early 1960s. His most influential work was a rudimentary theory of a “natural” rate of unemployment: its existence, its size and how market forces may drive actual unemployment from it. Work in this vein had a large impact with the arrival of the conference volume he organized, *Microeconomic Foundations of Employment and Inflation Theory* (1970). His *Structural Slumps* (1994) showed how the natural rate shifts with various market forces. His *Rewarding Work* (1997) focused on joblessness among less advantaged workers, arguing that the problem solving offered by good jobs is generally necessary for personal development. In the 1990s, with the fall of eastern Europe's socialism and the struggles of western Europe's corporatism, he turned to economic systems and their contrasting consequences for employee engagement and personal growth. In lectures, columns and *Enterprise and Inclusion in Italy* (2002) he laid the European continent's economic problems to a dearth of “dynamism” more than to high taxes on labor and to the welfare state. His present research is oriented toward the dynamism of capitalism.

He was senior advisor to Italy's National Research Council (CNR) project, “Italy in Europe,” from 1997 to 2000; a charter member of the Economic Advisory Council of the EBRD in 1992-93 and editor of its Annual Economic Outlook (1993); a member of the International Panel of the OFCE in Paris in the early 1990s; co-organizer of the Villa Mondragone seminars in Rome from 1990 to 2000 and of the International School of Economics in Siena from 1987 to 1990; a consultant to OECD in 1999, the CBO in 1994, the EC in 1987, Banca d'Italia in 1985, the IMF in 1983 and 1985, the FRB in 1983, the Senate Finance Committee in 1975 and the U.S. Treasury Department in 1972.

Phelps was named a Distinguished Fellow of the American Economic Association in 2000, elected to the National Academy of Sciences in 1981 and to the American Academy of Arts and Sciences in 1980. He has honorary doctorates from Amherst

College (1985), University of Rome “Tor Vergata” (2001), University of Mannheim (2001), Universidade Nova de Lisboa (2003), University of Paris-Dauphine and the University of Iceland (2004), Institut d’Etudes des Sciences Politiques de Paris (2006) and Universidad de Buenos Aires (2007). In 2003 Princeton University Press published in his honor a 600 page Festschrift volume, *Knowledge, Information and Expectations in Modern Economics* (P. Aghion, R. Frydman, J. E. Stiglitz and M. Woodford, eds.).