

# THE PENSION



November 8, 2019  
3:00-7:00 PM  
Swift Hall RM. 310

# CRISIS

THE UNIVERSITY OF CHICAGO  
**POLICY FORUM**

Welcome to the second University of Chicago Policy Forum. Chicago Economics has historically fostered intense discussions for the design and implementation of economic policy and the role of theory in guiding interpretation of evidence. The forum will nurture the rich vitality of the Chicago tradition by engaging elite scholars to raise the level of discussion of economic policy. Many academic conferences focus on subfields within disciplines, or center around more recent research. With this forum, we hope not only to collapse those intellectual enclaves, but to provide a stage for top scholars to address big questions—teasing out overlooked nuances, or questioning assumptions too often held as fact. Today's session is intended to inform the debate on the state and local pension crisis, its dimensions, economic ramifications, and potential solutions. We will address various issues including the scope and magnitude of the fiscal challenges, the role of property taxes and their implications for property values, the continued need to encourage new businesses while addressing the necessity for more revenue in the future. Moreover, we will seek a better understanding of the political environment and process that gave rise to the challenges faced in the city of Chicago, the state of Illinois, as well as in other states and municipalities around the country. This forum is organized by the **Macro Finance Research (MFR) Program**, the **Center for the Economics of Human Development (CEHD)**, and sponsored by generous support from **Edward R. Allen III**, PhD'92 and the **Human Capital and Economic Opportunity Global Working Group**.



**Lars Peter Hansen** is the David Rockefeller Distinguished Service Professor and the director of BFI's Macro Finance Research (MFR) Program at the University of Chicago. He is a leading expert in economic dynamics who works at the forefront of economic thinking and modeling, drawing approaches from macroeconomics, finance, and statistics. Hansen has made fundamental advances in our understanding of how economic agents cope with changing and risky environments. He is a recipient of the 2013 Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel.



**James J. Heckman** is the Henry Schultz Distinguished Service Professor of Economics at the University of Chicago and the founding director of the Center for the Economics of Human Development. Heckman actively conducts and guides empirical and theoretical research on skill development, inequality, and social mobility, and continues his work on the econometrics of policy evaluation. Heckman is the recipient of the 2000 Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel for his work on the microeconometrics of diversity and heterogeneity and for establishing a causal basis for public policy evaluation.



**Carol Portman** has been the President of the Taxpayers' Federation of Illinois since January 2013. Previously, she was Assistant General Counsel –Tax with Sears Holdings Corporation for 12 years, where she provided legal support on all state and local tax matters nationwide. Ms. Portman held similar in-house corporate tax counsel positions with Ameritech (now AT&T) and Waste Management Corporation. She graduated from the University of Illinois and received her law degree from the University of Michigan Law School.



**Eugene Steuerle** is an Institute fellow and the Richard B. Fisher chair at the Urban Institute. Among past positions, he was deputy assistant secretary of the US Department of the Treasury for Tax Analysis, president of the National Tax Association, and cofounder of the Urban-Brookings Tax Policy Center. Steuerle received the first Bruce Davie–Albert Davis Public Service Award from the National Tax Association in 2005 and the TIAA-CREF Paul Samuelson award for his book *Dead Men Ruling*. Sign up for his Government We Deserve newsletters at <https://bit.ly/2pKoBzg>.



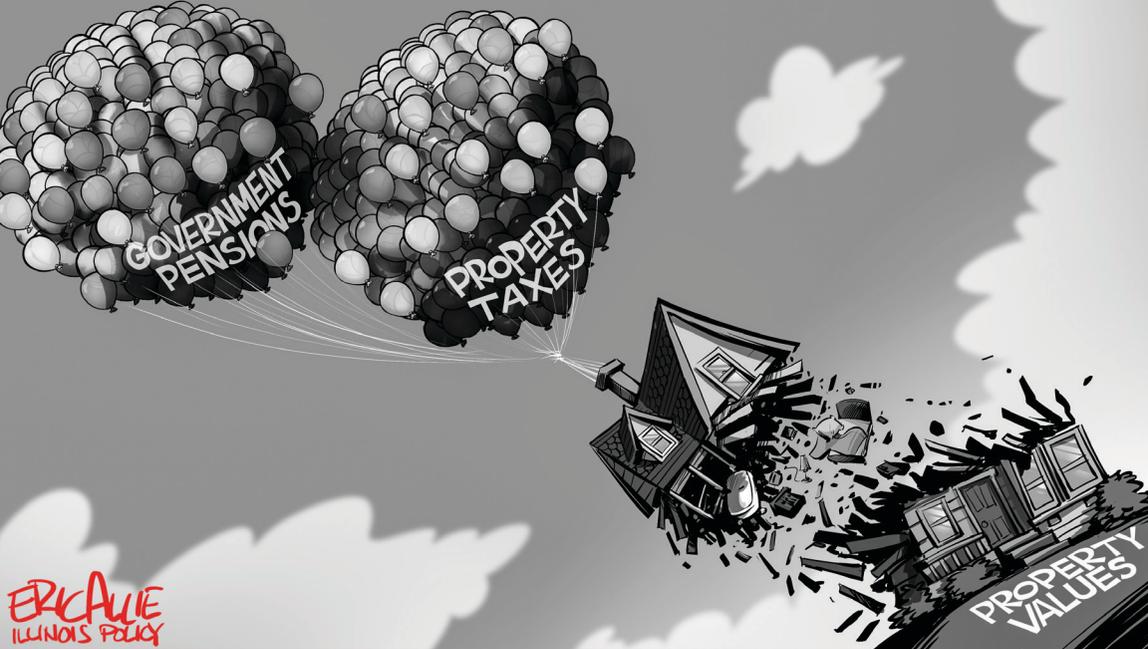
**Edward Glaeser** is the Fred and Eleanor Glimp Professor of Economics at Harvard University, where he has taught since 1992. He regularly teaches microeconomics theory, and occasionally urban and public economics. He has published dozens of papers on cities economic growth, law, and economics. In particular, his work has focused on the determinants of city growth and the role of cities as centers of idea transmission. He received his Ph.D. from the University of Chicago in 1992.



**Byron Lutz** is an Assistant Director at the Federal Reserve Board of Governors and serves as Chief of the Fiscal Analysis Section. His policy responsibilities focus on analyzing the connection between government taxation and spending and the macro economy. Lutz's primary fields of research are public finance, urban economics, and labor economics; he has conducted research on many aspects of state and local public finance, including pensions. He earned a B.A. from the University of North Carolina and a Ph.D. in economics from MIT.



**Joshua Rauh** is the Ormond Family Professor of Finance at Stanford's Graduate School of Business and a Senior Fellow at the Hoover Institution. He formerly taught at Chicago Booth and the Kellogg School of Management. Rauh studies government pension liabilities, taxation, corporate investment, and asset management. His research on state and local pension systems in the United States has received national media coverage. Rauh received a B.A. in economics from Yale University and a Ph.D. in economics from MIT.



**ERIC ALUI**  
ILLINOIS POLICY

**sign up for updates at:  
<https://bit.ly/2Dkbc4X>**



**CENTER FOR THE ECONOMICS  
OF HUMAN DEVELOPMENT**  
The University of Chicago



**Macro Finance  
Research Program**  
of the Becker Friedman Institute