



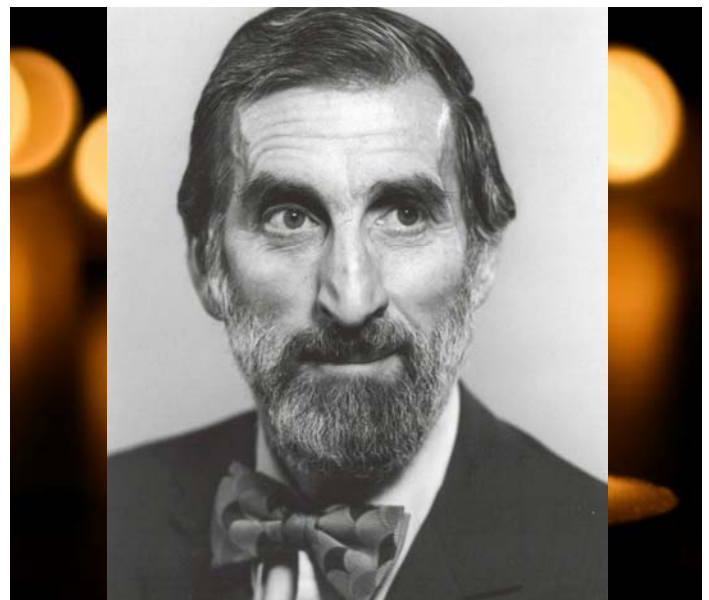
SRC Center Survey



James Morgan's Obituary

James N. Morgan, an economist who created the longest-running intergenerational household survey in the world, died January 8 at University of Michigan Hospital. He was 99 and lived in Ann Arbor.

Morgan was a great believer in new ideas and worked with other economists, such as Nobel Prize winner James Tobin, on issues of income and income support systems. As a young scholar he was interested in the factors shaping various outcomes such as how much a family spent on housing, factors leading to early retirement or nonmarket activity and other forms of time allocation. His work challenged the prevailing belief that those in poverty were destined to stay in poverty, arguing instead that the majority of poor families emerge from bad times and achieve middle income status.



"Jim's intellectual energy was enormous. It fueled a wealth of path-breaking contributions to our understanding of the world, and introduced new methods for generating more knowledge and deepening that understanding," says Morgan's former student



turned long-time colleague, Greg Duncan, professor of education at University of California, Irvine. “But Jim also displayed a lifelong commitment to an analytical form of social justice, which triggered many acts of kindness as well as windmill tilting.”

“He also believed in the power of inductive discovery and felt observing what occurred can serve as the basis for understanding,” says Frank Stafford, research professor at the Institute for Social Research and professor of economics at U-M. “Even within the financial domain, he observed strong synergies between the traditional economic variables of income, assets, and life insurance.”

Morgan came to U-M in 1949 as a postdoctoral fellow in economics, where he became a founding member of the Institute for Social Research. He retired in 1997 as a research scientist emeritus and professor emeritus of economics.

David Lam, director of ISR, remembers Morgan as being one of the most creative and generative thinkers in the ISR Founders generation. “This was not just for his substantive innovation, but for his methodological innovation as well,” Lam says.

After retirement, Morgan continued to be a regular presence at ISR and the university, and he regularly wrote on economic issues of particular concern, such as income disparity. In 2013, he set up a fund at ISR in his name to support graduate students in making innovative use of SEARCH, a survey data analysis program he created in the 1960s.

Though supported by the National Science Foundation and published in the Journal of the American Statistical Association, Morgan’s SEARCH approach to complex data was too different for many researchers to embrace; the research community continued to favor the classic method of hypothesis testing from a given conceptual framework. But the method found favor in the business and policy worlds, and in recent years was given new life by the analysis demands of Big Data.

In 2014, Jim’s pioneering work was recognized in a paper by Hal Varian in the Journal of Economic Perspectives entitled “New Tricks in Econometrics.”

Morgan was born near Corydon, Indiana, in 1918. He received his bachelor’s degree from Northwestern University in 1939, and his master’s degree and PhD in economics from Harvard University in 1941 and 1947. The outbreak of World War II delayed the completion of Morgan’s graduate education: As a conscientious

objector, he spent three-and-a-half years at the North Appalachian Experimental Watershed of the Soil Conservation Service in Coshocton, Ohio, where he used his research skills to analyze factors affecting crop yields. The methods used by the agricultural scientists were the inspiration for his SEARCH program.

Morgan became an assistant professor at Brown University in 1947. After his arrival at U-M in 1949, he was appointed an assistant program director of ISR's Survey Research Center in 1951, and he became a program director in 1956. Morgan was appointed associate professor of economics in 1953, and professor of economics in 1958.

In 1968, Morgan conceived of and launched the Panel Study of Income Dynamics (PSID), an ISR study created to track household data for the same 18,000 individuals over time. The study proved vital and increasingly far reaching. In the years since, PSID has continuously collected data covering employment, income, wealth, expenditures, health, marriage, and other topics; it's now following more than 65,000 members across four generations of some 8,000 families. In addition, it has served as the model for intergenerational studies in countries including the United Kingdom, Germany, Israel, Australia, Singapore, and China.

This year, PSID celebrates its 50th anniversary. The National Science Foundation voted it one of its "Nifty Fifty" and "Sensational Sixty" NSF-supported projects because of its impact on research about families and their

finances. "Methodologically, PSID was one of the early studies that demonstrated the impact of the social sciences," says Lam.

Recently, Morgan established the James Morgan Innovation in the Analysis of Economic Behavior Fund to encourage U-M graduate students to use PSID data in new and original ways.

"An academic's best hope for immortality rests with the wisdom imparted to graduate students, which is, in turn, passed on to the students of those students, and so on. I find myself channeling Jim's wisdom and kindness often as I continue to mentor new generations of students," says Duncan.

Morgan was a fellow at Stanford University's Center for Advanced Study in the Behavioral Sciences. In 1975, he was elected to the National Academy of Sciences. He was also a Fellow of the American Statistical Association, the Gerontological Society of America, and the American Academy of Arts and Sciences. U-M gave him the Distinguished Faculty Achievement Award in 1977.

Morgan is survived by four children, Salim, Ken, Tim, and Janet; 10 grandchildren; and 20 great-grandchildren.

At the request of his family, gifts in honor of Morgan can be made to the James Morgan Innovation in the Analysis of Economic Behavior Fund.



James Morgan Interview

In 1998, ISR celebrated its 50th year. As part of the celebration, Anna Frantilla of the Bentley Historical Library published "[Social Science in the Public Interest: A Fiftieth-Year History of the Institute for Social Research.](#)" As a part of the celebration, there was the following interview with Jim Morgan.

You may read the transcript of the interview by clicking the document image to the right.



Remembrances of James



At the University of Michigan I got to know Jim Morgan as a person before I got to know him as an economist. What a kind, gentle, thoughtful mensch. His simple friendliness helped make the culture that tends to characterize ISR.

Since I was an economist in the federal government when the PSID began, I know how difficult it was to convince the Census Bureau to let ISR combine the government's special Current Population Survey with the ISR sample. It was Jim who showed that following that combined sample and their matings and offspring would form a representative sample of the U.S. population through time. If the Nobel committee had better sense, they would have given him its prize for that. Jim's contribution to economic analysis and econometrics puts him in the company of such Nobel economists as Larry Klein, with whom he wrote.

— William Birdsall

I first "met" Jim Morgan in 1968—I was an undergraduate student, and I'd read about a conference paper he'd presented that was related to a paper I was working on. It was sensible, thoughtful, and very clearly written. But I never dreamed I'd ever meet the author, let alone be lucky enough to work with him.

More than a decade later, I "hired" Jim. More precisely, I was working at the Minimum Wage Study Commission, and we funded a survey of employers about the minimum wage that was designed by a team that Jim lead. The content of the survey nicely balanced the breadth that researchers wanted against the limits of what a busy respondent could provide. The 80% response rate was quite amazing even in that era (when there were far fewer surveys and employers were more cooperative).

Day to day interactions started in 1985, when I moved from Maryland to Michigan. I was affiliated with—but certainly not a key player for—the PSID. Jim was generous with his time, and managed my "senior rookie" status artfully. We had a lot of little things in common: a preference for one on one or informal small-group conversations over large gatherings, an aversion to neckties that was part of a broader contrarian streak, and a shared belief that good data was an under-appreciated ingredient in research.

— Charlie Brown





Jim Morgan and I first became friends in Nairobi, Kenya, when we were both Ford Foundation Economic Advisers to the Kenya government. Jim was not the sort whose friendship needed to be sought. He met you more than half way. He and Gladys easily became friends with my wife, Marcia, and me. This friendship continued in the states where we were visitors in Ann Arbor and Jim with us in D.C. when Gladys' health was declining.

We became friends with Marian after Gladys' passing and shared with Jim and Marian a trip to Belize and Guatemala. We kept in touch through Jim's hilarious Christmas letters in which he enjoyed sharing with readers the adventures of an accident-prone economist.

In later years, Jim shared with a number of us his efforts to correct confused reasoning about Social Security and other issues of economic welfare. We were both Harvard PhDs and advocates of Keynesian macroeconomics, Jim was a New Deal progressive who earned his degrees in the 1930s. I admired his brilliance and his zeal.

In our last correspondence Jim was composing his obituary and expressed worries about sounding like a braggart. My response was to encourage him not to hold back on any of his many accomplishments.

— R. K. Davis

It is an honor to work on the Panel Study of Income Dynamics. I know that I'm not the only one who feels this way. We hear it from study participants, interviewers, project managers, investigators, and everyone involved. The legacy Dr. Morgan leaves in the PSID is very strong.

— Shonda Kruger Ndiaye





Almost 50 years later, I still laugh when I recall what Jim said when he found he'd been elected to the National Academy of Sciences: "Does that mean I have to wear a tie?"

—Tecla Loup

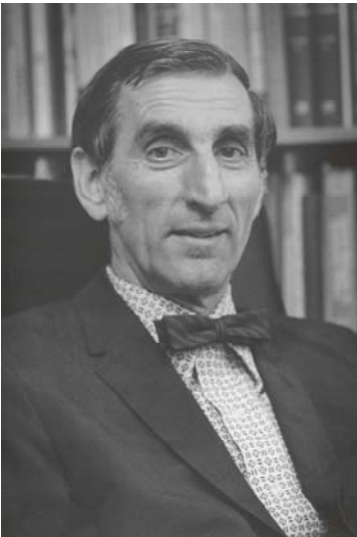
In 1968, I entered U-M as a graduate student to pursue a PhD. My decision to attend Michigan was influenced in large part by John Lansing, one of ISR's founders who asked me to join him in a study of planned communities in the U.S. Lansing and Jim Morgan were two senior economists in SRC's then Economic Behavior Program and had joined ISR at the same time in 1949. They were contemporaries who collaborated on several research projects, co-authored *Economic Survey Methods*, and occupied large adjacent offices in a third floor bay in ISR's newly opened building on Thompson Street.

When I moved to Ann Arbor and was ready to launch my academic career, Lansing was on sabbatical leave and asked Jim to formally hire me as a U-M/ISR employee. Since I had worked for several years as an urban planner, John and Jim decided that I should not be hired as a GSRA, but rather as a Research Associate, a title given to an array of ISR employees without PhDs. Jim had carefully explained why I was given the title and proceeded to offer me a salary of \$5,000 for a half-time appointment. This was considerably lower than what I had expected. Jim was a skillful negotiator and after a few days, he counter-offered with \$5,500 or an annual salary of \$11,000. I gladly accepted.

A few years later, Jim suggested that I use a new analytic program to search for interactions among variables as part of my dissertation. The program at the time was called AID (Automatic Interaction Detector) and was ideal for the analysis that I was doing. It was also viewed as an innovative technique by my committee members who wanted to know who created it. I have often wondered why Jim after many years shifted from promoting AID to embellishing and promoting it as SEARCH.

—Bob Marans





I met Jim in the late 1960s when I was a young visitor to ISR; he was without doubt one of the most interesting (and interested) people I ever met. His insatiable curiosity, his inexhaustible energy for explanation and dissemination of ideas, and his genuine humanity made him one of my favorite people in the whole world. His passion for a good quality of life for individuals and society matched his commitment to science.

Jim's continuing engagement—right up to the end—with ideas, and his public-spirited commitment to the implementation of these ideas for the common good marked him out as a truly extraordinary person. He lived such a glorious and wonderful life that, to those of us outside, somehow celebrations of that life seem more in order than mourning.

— Colm O'Muircheartaigh

After retirement, Morgan continued to be a regular presence at ISR and the university, and he regularly wrote on economic issues of particular concern, such as income disparity. In 2013 he set up a fund at ISR in his name to support graduate students in making innovative use of SEARCH, a survey data analysis program he created in the late 1960s that in recent years was given new life by the analysis demands of Big Data. In 2014 Jim's pioneering work was recognized in a paper by Hal Varian in the *Journal of Economic Perspectives* entitled "New Tricks in Econometrics."

As an early scholar working with panel data he was interested in the factors shaping various outcomes such as how much a family spent on housing, factors leading to early retirement or non-market activity and other forms of time allocation. He was also intrigued by interaction effects such as the interplay between home ownership, health and income expectations on retirement planning. This was motivated by his time in agricultural experiments of soil erosion during World War II. Both the gradient and extent of cover mattered for erosion, but there was a synergy. For a steeper gradient and lower vegetation cover there was a positive interaction term predicting greater runoff than beyond the simple additive effects of the two.

He also believed in the power of inductive discovery and felt observing what occurred can serve as the basis for understanding. Rather than premising relationships only from accepted conceptual paradigms, observing what is could be informative of the social process. For retirement planning there was the role of health, anticipated income relative to that prior to retirement, and inherent enjoyment of work. Even within the financial domain he observed strong synergies between the traditional economic variables of income, assets and life insurance. Seeing the role of interactions he became interested in what is now termed the SEARCH approach to big data.

Though supported by the National Science Foundation and published in the *Journal of the American Statistical Association*, the idea of a search approach to complex data was not given recognition. It was simply too different from the classical method of hypothesis testing from a given conceptual framework. As a result the method was not embraced by the research community. Practical use of the method was found in the business and policy world where the statistical search methods can and have been used to identify groups of interest – such as who engages in Medicare fraud or which groups of insured motorists are most likely to have a serious accident. In the proprietary world, the users of such an idea are not in the practice of acknowledging where the idea came from.

— Frank Stafford





The last letter I received from Jim was in fall 2013. He wrote that Marion moved to a long-term care center, and that he decided to move to a small studio closer to her. Though his letter contained his habitually sharp and witty “ruminations” on Social Security (one of his favorite topics!) and views on the unemployment problem, I had this sense of his slow fading-away.

I was a Fulbright scholar at the ISR from September 1989 to May 1990; the choice of Ann Arbor was due to Jim’s pioneering work on data analysis techniques. Namely, in my doctoral thesis I used the Automatic Interaction Detector (AID) technique – a very useful technique for data analysis, developed by Jim and Sonquist. I thought that mastering other statistical techniques which Jim developed with his colleagues at the ISR would be very beneficial for my research career back home.

Jim somehow felt “responsible” for me, offering practical advice and help – he had lent me his Chevy till I bought a second-hand car. At the Institute, we met frequently though he had recently retired. The coffee breaks were also attended by other ISR “regulars” at the cafeteria on top of the ISR building. He and Gladys were once at our place for dinner, and Marion was one of the regular coffee-goers.

Jim’s immensely important contributions to data analysis techniques, and initiation of PSID, are achievements that stand out – and have been recognized during the celebration in his honor for the 50th anniversary of the PSID. Here, I am reminded of another “founding father” of the ISR, Tom Juster, who initiated the Health and Retirement Study (HRS). Both the PSID and the HRS had a concrete and profound influence on the design of similar studies in Europe. I am referring to the EU-SILC and the SHARE projects; both of these projects are actually pan-European, and include not only members of the European Union, but also some nonmembers.

What I really liked about Jim was his passion, his modesty and – could I say – idealism. Maybe his work on inequality made him so aware and sensitive to equity issues. Many of his views – particularly on social security – have been so much ahead of the “mainstream” thinking in the USA. His early argumentation for high marginal income tax rates has – much later – been picked up by Thomas Piketty, who showed how the decrease in top marginal income tax rates contributed to rising income inequality.

Jim’s work had a profound influence on the careers and scientific work of so many people throughout the world. I count myself as one among those “many,” and I am proud of that.

—Tine Stanovnik

Jim was a person of ideas and ideals. His pacifism and concern as an economist about inequalities in the distribution of wealth were deeply felt. Discussing issues with Jim was always rewarding, particularly so when our ideas might have differed. During his early years at ISR, I participated along with Les Kish and Dan Suits in one of Jim's more light-hearted and rewarding ideas, a carpooling and babysitting enterprise replete with cryptocurrency and accounts—and much good will. The enterprise, given Jim's professional expertise, was efficient and equitable as well as profitable, spiritually. This was the first, but not the last, of my experiences with Jim from which I profited over the years. The last came during several visits at Glacier Hills in the company of Pat Shields toward the end of Jim's life. Jim was handicapped physically then, but otherwise remained the Jim I had always known, a person of ideas and ideals deeply felt. And the conversation, as usual, was rewarding, particularly so when our ideas might have differed. The profit I took away from those last visits remains with me.

— Arnold Tannenbaum

