

EMBARGOED UNTIL: FRIDAY 20TH APRIL, 08:00 AM

Five leading academics in finance, international trade and shipping named winners of Onassis Prizes 2018

Professor Douglas W. Diamond, one of the world's leading authorities on bank runs and liquidity crises, will be awarded the 2018 Onassis Prize in Finance. In the area of International Trade, Professors Jonathan Eaton and Samuel Kortum will share the relevant 2018 Onassis Prize for their collaborative efforts researching the impact of technology on global trade. The Shipping Prize will be shared between Professors Mary Brooks and Wayne Talley, maritime economists known for their work on ports and the risks of terrorism and piracy to the shipping industry.

The Onassis Prizes are awarded to the world's foremost academics in the fields of finance, international trade and shipping, to honour outstanding academic achievements that have had international significance. The prizes, each worth \$200,000, are sponsored by the Onassis Foundation and awarded every three years by Cass Business School London jointly with the Onassis Foundation. The prizes recognise the lifetime achievement of experienced academics in the fields of finance, international trade and shipping – the disciplines in which Aristotle Onassis excelled.

The Onassis Prizes' recipients were selected by a panel of judges, two of whom are Nobel Laureates, and other distinguished academics, and will be announced at The Mansion House, the official office of the Lord Mayor of the City of London, on Friday 20th April. The 2018 prizes have been awarded to:

Onassis Prize in Finance

- Professor Douglas W. Diamond, Merton H. Miller Distinguished Service Professor of Finance, Booth School of Business, University of Chicago

Onassis Prize in International Trade (shared)

- Professor Jonathan Eaton, Distinguished Professor of Economics, Department of Economics, The Pennsylvania State University
- Professor Samuel S. Kortum, James Burrows Moffatt Professor of Economics, Department of Economics, Yale University

Onassis Prize in Shipping (shared)

- Professor Mary R. Brooks, Professor Emerita, Rowe School of Business, Dalhousie University and Chair of the Marine Board of the National Academies, Washington DC.



- Professor Wayne K. Talley, Professor of Maritime and Supply Chain Management, Executive Director of the Maritime Institute and Eminent Scholar, Strome College of Business, Old Dominion University

Dr Anthony Papadimitriou, President of the Onassis Public Benefit Foundation and Chair of the judging panel said:

“Awards like these, allow us to foresee and, in a way, return from the future, where the work of the distinguished scholars of our era will have received the greatest possible recognition. Aristotle Onassis’ name is synonymous with the spheres of endeavor in which our laureates are engaged, and shipping, trade and finance are the three core areas of business activity in contemporary economies. The contributions made to the research in these fields by today’s winners is such that we can safely say they have brought us not one but many steps closer to the knowledge we will enjoy in the future. We, at the Onassis Foundation, are particularly proud to support the Onassis International Prizes for Finance, Shipping and Trade in association with the City of London and the City University/Cass Business School. The awards are already in their fourth iteration. Previous winners have continued to distinguish themselves and make outstanding contributions, with Professor Eugene Fama receiving a Nobel Prize for his work.”

Professor Costas Grammenos, Chairman of the Costas Grammenos Centre for Shipping, Trade and Finance at Cass, said:

“The Onassis Prizes are awarded for the fourth time and one can safely say that they have become the most highly respected international awards in the areas of finance, international trade and shipping. I warmly congratulate the recipients whose distinguished achievements have profoundly influenced their disciplines and continue to have an impact on academic thinking and business conduct worldwide.”

The Lord Mayor Alderman Charles Bowman said:

“The Cass Business School is a world-leader in business and professional education, based here in the City of London and closely connected with the UK’s financial and professional services sector. As a global ambassador for that sector, I am proud to work with the Onassis Foundation to recognise the contributions of Professors Diamond, Eaton, Kortum, Brooks and Talley to finance, trade and shipping.”

The Onassis Prizes have been awarded in their current form since 2009 and the winners have included many distinguished economists. Professor Eugene Fama of the University of Chicago is considered one of the fathers of modern finance for his work on asset pricing models and efficient market theory and went on to receive the Nobel Prize for Economics in



2013. Other prominent winners include Professor Stewart Myers of MIT, who co-authored the influential textbook *Principles of Corporate Finance* and Professor Gene Grossman of Princeton University who is known for his research into the relationship between trade and economic growth.

The 2018 Onassis Prizes will be formally presented to the recipients at a Banquet at the Guildhall in the City of London on 24th September, following an academic conference featuring all the recipients at Cass Business School earlier in the day.

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Media enquiries

Cass Business School:

Amy Ripley, Senior Communications Officer, Cass Business School
M: +44 (0) 7794 053 384 E: amy.ripley@city.ac.uk

Onassis Foundation and the 2018 Onassis Prize

Peter Wilson-Smith, Meritus Consultants
M +44 7979 526 152 E: pws@meritusconsultants.com
Rebecca Taylor, Executive Vice President, FITZ & CO
M +44 7408 804168 E: rtaylor@fitzandco.art

Notes to Editors

- 1) [Cass Business School](#), which is part of City, University of London, is a leading global business school driven by world-class knowledge, innovative education and a vibrant community. Located in the heart of one of the world's leading financial centres, Cass has strong links to both the City of London and the thriving entrepreneurial hub of Tech City.
- 2) [The Onassis Foundation](#) was established in December 1975 with the mission of supporting Greek society in the crucial areas of education, culture and health. With education as a key pillar in its mission, the Foundation has supported more than 7.000 scholarships and research fellowships for post-graduate and doctorate studies; provided educational material and technological equipment to hundreds of schools all over Greece; acquired the Cavafy Archive (more than 4.600 manuscripts and personal items of the poet) to ensure its openness and accessibility to researchers; and launched the Onassis Prizes, which from 2007, in collaboration with Cass Business School recognise the lifetime achievement of experienced academics in the fields of finance, shipping and international trade. In addition to its contributions to the field of education, the Foundation also built, the state-of-art Onassis Cardiac Surgery Centre (OCSC) in Athens and donated it to the Greek State, and also created the Onassis Cultural Centre in Athens and an affiliate Cultural Center in New York City.

Recipient biographies and quotes

Onassis Prize in Finance

Professor Douglas W. Diamond, Merton H. Miller Distinguished Service Professor of Finance, Booth School of Business, University of Chicago

Douglas W. Diamond specializes in the study of financial intermediaries, financial crises, and liquidity. His research agenda has been to explain what banks do, why they do it, and the consequences of these arrangements. He is the Merton H. Miller Distinguished Service Professor of Finance at the University of Chicago's Booth School of Business, where he has been on the faculty since 1979. Diamond is a research associate of the National Bureau of Economic Research and a visiting scholar at the Federal Reserve Bank of Richmond. He was president of the American Finance Association and the Western Finance Association and is a member of the National Academy of Sciences (USA) and a fellow of the Econometric Society, the American Academy of Arts and Sciences, and the American Finance Association. Diamond received the CME Group- Mathematical Sciences Research Institute Prize in Innovative Quantitative Applications in 2016 and the Morgan Stanley-American Finance Association Award for Excellence in Finance in 2012. He has taught at Yale and was a visiting professor at MIT. Diamond earned a bachelor's degree in economics from Brown University in 1975. He earned a PhD in economics from Yale University in 1980.

Professor Diamond said:

"I am delighted to receive the Onassis prize. After the recent financial crisis, policy makers and scholars have a renewed focus on of the stability of financial institutions."

Onassis Prize in International Trade (shared)

Professor Jonathan Eaton, Distinguished Professor of Economics, Department of Economics, The Pennsylvania State University

Jonathan Eaton is Distinguished Professor of Economics at Pennsylvania State University. He has worked on many issues in international economics. After receiving a Ph.D. in economics from Yale in 1976, he and Mark Gervowitz developed a model of sovereign default which has become a standard tool for analysing government borrowing in international capital markets. Subsequent work with Gene Grossman investigated strategic trade policy and work with Maxim Engers concerned the efficacy of sanctions in the international economy. His research in the last two decades, joint with Samuel Kortum, has analysed the roles of technology and trade in the global economy. Their 2002 *Econometrica* article, "Technology, Geography, and Trade," awarded the Frisch Medal by the Econometric Society, develops what is now sometimes called the EK model of trade. It provides a framework using Ricardo's simple idea of comparative advantage to understand and to analyse quantitatively bilateral trade flows in a general equilibrium setting among many countries in many products. The framework has since been applied in numerous studies to

address such diverse issues as the welfare implications of NAFTA, the connections between international trade and CO₂ emissions, the role of trade in propagating international business cycles, and the effect of trade frictions in segmenting international capital markets. Other work of theirs has examined the contribution of innovation and the diffusion of technology to economic growth across countries of the world. Eaton is a Research Associate of the National Bureau of Economic Research, a Fellow of the Econometric Society, and a Member of the American Academy of Arts and Sciences.

Professor Eaton said:

“The growth the world has experienced since the middle of the last century has led to a level of prosperity that I couldn’t have imagined when I started in the profession in the late 1970s. A carefully constructed, rules-based international economic system was an essential contributor. The field of international trade, going back to its roots in David Ricardo’s “On Foreign Trade,” provided a foundation for designing this system.

“Despite this success, the field currently faces two great challenges. One is to provide an intellectual counterweight to the economic nationalism suddenly again in vogue. Another is to guide policy toward reaching out to those felt left behind by the system.

“The field is in good shape to meet these challenges. Recent work in the field has used Ricardo’s simple idea of comparative advantage to understand and to interpret the enormous amount of data the world economy now spits out. Theory and data are working together to provide a much better understanding of how trade shapes individual lives.

“The vibrancy of work in the field has attracted enormously talented young researchers in recent years. Learning from them has been an enormous source of satisfaction to me. As a teacher of the field at Penn State I look forward to working with subsequent generations of such researchers.

“The Onassis Prize in International Trade, in providing recognition to the field, raises awareness of its contribution of its ideas to current prosperity. In honoring those working in the field it helps us continue to attract the very best minds out there.”

**Professor Samuel S. Kortum, James Burrows Moffatt Professor of Economics,
Department of Economics, Yale University**

Samuel Kortum is the James Burrows Moffatt Professor of Economics at Yale University, Fellow of the Econometric Society, Member of the American Academy of Arts and Sciences, and Research Associate at the NBER. Before coming to Yale in 2012, he served on the faculty at Boston University, the University of Minnesota, and the University of Chicago. Kortum received his bachelor’s degree from Wesleyan University and Ph.D. in Economics from Yale. In 2004, he and Jonathan Eaton received the Frisch Medal for their paper “Technology, Geography, and Trade” published in *Econometrica*. He served as an editor of the *Journal of Political Economy* from 2008-2012. In addition to international economics, Kortum has written on economic growth, innovation, and firm dynamics.



Professor Kortum said:

“As a young assistant professor, fresh from graduate school, I had the good fortune to collaborate with Jonathan Eaton. We have worked side-by-side ever since, whether at the chalkboard struggling to understand a formal problem or at the computer screen struggling to improve the wording of a sentence.

“Out of that struggle we began to realize that a useful theory of trade could emerge, capturing the classic idea of comparative advantage and amenable to quantification from observations on trade flows between any number of countries. While that realization was its own reward, receiving the Onassis Prize in International Trade is deeply gratifying as recognition that others value our contribution.

“I don’t want to get too carried away with what we accomplished. The prize is a stimulus to advance on the vexing issues that remain in the field of international trade.”

Onassis Prize in Shipping (shared)

Professor Mary R. Brooks, Professor Emerita, Rowe School of Business, Dalhousie University and Chair of the Marine Board of the National Academies, Washington DC.

Dr. Mary R. Brooks is Professor Emerita at Dalhousie University, Halifax, Canada, and Chair of the Marine Board of the National Academies, Washington DC. Dr. Brooks has been a thought leader in the shipping and ports field since the 1970s, and has worked in Canada, the U.S., Singapore, South America and Australia. She is sought after for her expertise on competition policy in liner shipping, port strategic management and short sea shipping. A founding editor of Elsevier’s *Research in Transportation Business and Management*, she has authored and published more than 25 books and technical reports, more than 25 book chapters, and more than 75 articles in peer-reviewed scholarly journals. She serves on multiple journal boards, including *Maritime Policy and Management* and *Ocean Yearbook*. She was a founding member of the International Association of Maritime Economists, served as its Membership Secretary and Treasurer from 1994-1998, played a key role on the IAME Council at three different periods during its history, and acted as the Chair of its International Scientific Steering Committee for the 2014 Annual Conference. She also is the founder and past chair of the Port Performance Research Network, a network of more than 60 scholars interested in port governance and port performance issues.

Professor Brooks said:

“I am so honoured to have been chosen as one of two recipients of the 2018 Onassis Prize in Shipping. To be the second Canadian, and the first woman, to be awarded this most prestigious prize accorded to academics in the field makes it even more of an honour. I grew up in a small town in Nova Scotia, a province where shipping was critical to its history and economy, but I did not know then how important the industry was to global prosperity. No great journey of discovery is ever completed alone, and my success is shared with all the colleagues and mentors who worked with me over the years.”



Professor Wayne K. Talley, Professor of Maritime and Supply Chain Management, Executive Director of the Maritime Institute and Eminent Scholar, Strome College of Business, Old Dominion University

Dr. Wayne Talley is Professor of Maritime and Supply Chain Management, Executive Director of the Maritime Institute and Eminent Scholar at Old Dominion University, Norfolk, Virginia, USA. He holds the international designations of: Honorary Visiting Professor, City University London (United Kingdom); Honorary Chair Professor, National Chiao Tung University (Taiwan); and Honorary Guest Professor, Shanghai Maritime University (China). During 2000-2012, he was Editor-in-Chief of the highly-ranked *Transportation Research Part E: Logistics and Transportation Review* and in 2014 was President of the Transportation and Public Utilities Group, American Economic Association. His academic publications include over 170 journal papers and book chapters. His academic books include: *The Blackwell Companion to Maritime Economics* (Wiley-Blackwell, 2012); the four-volume book, *Maritime Economics: Critical Concepts in Economics* (Routledge, 2017) and *Port Economics* (Second Edition, Routledge, 2018).

Professor Talley said:

"A recipient of the Onassis Prize in Shipping is the highlight of my academic career as a maritime economist. It will provide me with a platform for promoting the establishment of a Ph.D. program in maritime business at Old Dominion University, making it the first university in the U.S. to have such a program."

Judging panel

Chair: Dr. Anthony S. Papadimitriou, President, Alexander S. Onassis Public Benefit Foundation

Professor George Constantinides, Leo Melamed Professor of Finance, University of Chicago

Professor Costas Th. Grammenos, LRF Professor in Shipping, Trade and Finance, Cass Business School, City, University of London

Professor Elhanan Helpman, Galen L. Stone Professor of International Trade, Harvard University

Professor Robert Merton, (1997 Nobel Laureate), School of Management Distinguished Professor of Finance, Massachusetts Institute of Technology

Professor Myron Scholes (1997 Nobel Laureate), Frank E. Buck Professor of Finance, Emeritus, Stanford Graduate School of Business

Professor Eddy Van de Voorde, Professor of Port and Maritime Economics, University of Antwerp.