Councilman Vellucci October 28, 1985

Whereas:

On October 15, 1985 the Royal Swedish Academy of Sciences announced that Franco Modigliani of the Massachusetts Institute of Technology won the 1985 Alfred Nobel Memorial Prize in Economics

Whereas:

The Academy cited Modigliani's Life Style Hypothesis as the chief basis for the award, a thirty year old theory that people carry their savings across the trajectory of their lifetime

TRAJECTORY

2)

Building up funds when they are young and drawing down funds when they are old which they counter the conventional view of economists
of economics

that savings activity was confined solely to the wealthy.

Whereas

This life-cycle approach has since proved a tool adopted by economists of every persuasion and has introduced a new element in the mathematical models with which economists work.

Whereas

The Nobel Prize citation also included his work on corporate finance

3/ ... efficiency of the
Macroeconomics market and his research
has provided the Federal Reserve
System with guidelines to anticipate
the effects of policy decisions
Therefore be it ordered:
That the City Council go on
record congratulating ~~the~~
Franco Modigliani on ~~his~~ this
great honor which ~~has~~ adds to
lustre to a long distinguished
career and brought new honors
to the ~~distinguished institution~~ Massachusetts Institute of Technology
~~[illegible]~~ shifting the magnetic pole
of Italian economics from Cambridge, England
to Cambridge Massachusetts.

CCM-101

City of Cambridge

7.

COUNCILLOR VELLUCCI

IN CITY COUNCIL

October 28, 1985

WHEREAS: On October 15, 1985 the Royal Swedish Academy of Scienses announced that Franco Modigliani of the Massachusetts Institute of Technology won the 1985 Alfred Nobel Memorial Prize in Economics; and

WHEREAS: The Academy cited Modigliani's lifestyle hypothesis as the chief basis for the Award, a thrity year old theory that people vary their savings across the trajectory of their lifetime, building up funds when they are young and drawing down funds when they are old, which theory countered the conventional view of technical economists that savings activity was confined solely to the wealthy; and

WHEREAS: This life-cycle approach has since proved tool adopted by economists of every persuasion and has introduced a new element in the mathematical models with which economists work; and

WHEREAS: The Nobel Prize citation also included his work on corporate finance, efficiency of the securities market and his research has provided the Federal Reserve System with guidelines to anticipate the effects of policy decisions; therefore be it

ORDERED: That this City Council go on record congratulating Franco Modigliani on this great honor which adds lustre to a long distinguished career and brought new honors to the Massachusetts Institute of Technology, shifting the magnetic pole of Italian economics from Cambridge, England to Cambridge, Massachusetts; and be it further

ORDERED: That the City Clerk be and hereby is requested to forward a suitably engrossed copy of this resolution to Mr. Modigliani to record our joy and great pride in his accomplishment.

In City Council October 28, 1985.
Adopted by the affirmative vote of 9 members.
Attest:- Paul E. Healy, City Clerk.

A true copy;

ATTEST:- Paul E. Healy

Paul E. Healy, City Clerk.

Order #7 S-772

C. Vellucci order re: resolutions on Franco Modigliani of MIT being awarded the 1985 Alfred Nobel Memorial Prize in Economics.

In City Council,

October 28, 1985

10/28/85

CV/A

Order Adopted