GROSSMAN, HERSCHEL PJB 10-20-04

Influential economist Herschel Grossman, 65

PROVIDENCE — Herschel Grossman, 65, of Everett Avenue, an economics researcher, editor, and Brown University's Merton P. Stoltz Professor in the Social Sciences, died Oct. 9 while attending an academic conference in Marseilles, France.



Mr. Grossman joined the Brown faculty in 1964, was appointed the Merton P. Stultz Professor in 1980, and had served as department chairman from 1982 to 1985 and 1986 to 1991.

Much of his early academic work was in the area of Keynesian macroeconomics — specifically, an attempt to understand the process through which monetary policy, as carried out by central banks like the Federal Reserve, affects such economic variables as unemployment and the level of output.

His model of disequilibrium macroeconomics — developed jointly with Robert Barro — provided a rigorous analytic foundation for understanding how the failure of price and wages to adjust in a manner that equalized supply and demand could lead to such diverse phenomena as unemployment, inflation and the shortages of goods that plagued socialist economies.

The work, summarized in their book, *Money, Employment, and Inflation*, published in 1976, exercised wide influence on a generation of economists.

In his subsequent work, Mr. Grossman turned away from the question of why particular policies affect the economy to the question of how policymakers decide what paths to follow. His observation that the degree to which policy makers are willing to make short-term sacrifices to reap long-term benefits led him to examine how leaders and ruling elites are able to stay in power.

In his most recent research, he had been studying appropriative conflict, struggles between individuals or groups over the definition of property rights. His analyses covered conflicts between states, between governments and insurgents, and between thieves and property-owners, as well as such non-traditional economic activities as banditry, extortion and kidnapping.

Mr. Grossman had been named a Guggenheim Fellow and a Russell Sage Foundation visiting scholar, and a research associate of the National Bureau of Economic Research.

He had served on the editorial boards of journals including the American Economic Review, The Journal of Monetary Economics, The European Journal of Political Economy and Economics of Governance.

At Brown, he also was the academic liaison for the football team and participated in the recruiting of student athletes.

Mr. Grossman was the husband of Suzanne (Oringel) Grossman. Born and raised in Philadelphia, he was a son of the late Samuel and Celia (Cohen) Grossman.

After attending Central High School, in Philadelphia, he earned a bachelor's degree from the University of Virginia, a bachelor's degree in philosophy from Oxford University, in England, and his doctoral degree from Johns Hopkins University, in Baltimore.

He enjoyed gardening, art and architecture.

Besides his wife, he leaves a daughter, Rebecca Gruber of Arlington, Mass.; a son, Andrew Grossman of Seekonk; three stepchildren, Gary and Donna Goldman and Nancy Friedman; a grandson and four stepgrandchildren.

A memorial service will be held Sunday at 3 p.m. at the Brown University Hillel Center, 80 Brown St. A reception will follow.