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Alvin E. Roth [Ideological Profiles of the Economics Laureates]

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Abstract

Alvin E. Roth is among the 71 individuals who were awarded the Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel between 1969 and 2012. This ideological profile is part of the project called “The Ideological Migration of the Economics Laureates,” which fills [the September 2013 issue of *Econ Journal Watch*](#).

Keywords

Classical liberalism, economists, Nobel Prize in economics, ideology, ideological migration, intellectual biography.

JEL classification

A11, A13, B2, B3

Link to this document

http://econjwatch.org/file_download/762/RothIPEL.pdf

character? Did your thinking “move” in a particular “direction” (using the notion of ideological space)?

No. (Prescott 2013)

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Alvin E. Roth

by Daniel B. Klein, Ryan Daza, and Hannah Mead

Alvin Roth (1951–) was born and raised in New York City. During his experience in New York schools, Roth was under-challenged and dropped out as a high school junior. After taking a few engineering classes at Columbia University, Roth applied and became a full-time engineering student (Adams 2010). He went on to Stanford University for his Ph.D. in operations research.

Led to engineering, and specifically operations research, “with the idea of fixing things up so they work better,” Roth moved into game theory, and from

game theory into economics (Boyeaux 2012). He has taught at the University of Illinois, University of Pittsburgh, Harvard University, and Stanford University.

Roth and Lloyd Shapley shared the 2012 Nobel Prize in Economics “for the theory of stable allocations and the practice of market design.” Roth describes market design as studying the details of how markets work: “The challenge is to understand complex markets well enough to fix them when they’re broken, and implement new markets and market-like mechanisms when needed” (Roth 2010).

Roth stated in an 2012 interview: “Economics is about being human. We study how people get along with each other, how they coordinate, how they compete, how they mate and match, what kind of choices they make at critical junctures. Not dismal at all. I think of economics as a form of higher gossip. These are economic questions, but they’re also very human questions” (Roth 2012).

Roth is not vocal on policy issues. Roth maintains a blog ([link](#)), but there he seems to stick to news and analysis, rather than offering overt opinions. Roth reportedly donated to Barack Obama’s Presidential campaign in 2008 (Kiely 2012).

In 2003, Roth designed a system of “school matching” for New York City Public Schools’ 80,000 eighth graders. The design was intended to match the students with their preferred schools using a deferred-acceptance algorithm. Roth used a modified version of this algorithm for matching Boston’s public school students and medical school students with residency placements (Adams 2010).

Roth also designed a system of human-kidney exchange to facilitate kidney matching and help raise the number of donations: “In 2003 Roth started work on a system that would allow people who want to donate kidneys to loved ones but can’t because their blood types don’t match, to exchange organs with other incompatible donor pairs” (Adams 2010). But Roth has not spoken out against the basic restrictions in the matter of human organs (Diesel 2010, 328). Interviewed for a BBC documentary on “Repugnant Markets,” Roth commented, “I think actually it’s a little hard to predict on first principles which things will be repugnant and which not because they’re different in different times and places” (Roth 2007).

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Paul A. Samuelson

by Daniel B. Klein and Ryan Daza

Born in Gary, Indiana, Paul Samuelson (1915–2009) was of the generation of economists inspired by the Great Depression. He reflected on the period: “After 1929 it was the sturdy middle classes, and not just the lumpen proletariat, who were down and out. It was not all that unfashionable or disreputable to be bankrupt. By the last Hoover years, the states and localities had run out of money for relief. In middle-class neighborhoods like mine, you constantly had children at the door, asking by mouth or with a note for a dime, a quarter, or a potato: saying, in a believable fashion, we are starving” (Samuelson 1985, 6). Samuelson credits his parents for his ethical outlook:

Although positivistic analysis of what the actual world is like commands and constrains my every move as an economist, there is never far from my consciousness a concern for the ethics of the outcome. Mine is a simple ideology that favors the underdog and (other things equal) abhors inequality.

I take no credit for this moral stance. My parents were “liberals” (in the American sense of the word, not in the European “Manchester School” sense), and I was conditioned in that general *Weltanschauung*. It is an easy faith to adhere to. When my income came to rise above the median, no guilt attached to that. Nor was there a compulsion to give away all my extra coats to shirtsleeved strangers: my parents would have thought me daft to do so, and neurotic to toss at night for not having done so. Some personal obligation for distributive justice liberals do expect of themselves; but what is far more important than acts of private charity is to weight the counterclaims of efficiency and