



IN MEMORIAM

Steven M. Goldman
Professor of Economics, Emeritus
UC Berkeley
1941 — 2014

Steven Marc Goldman, professor emeritus of economics at the University of California, Berkeley, died on Thursday, April 17, 2014, in Berkeley, of complications following a heart attack. He was 72 years old.

Professor Goldman was born in Brooklyn, New York, on July 20, 1941. He received his bachelor's degree from Harvard University in 1962 and his doctorate in economics from Stanford University in 1966. Goldman started his career at Berkeley as an acting assistant professor in 1965, and was promoted to associate professor in 1970 and to professor in 1978. He served on the systemwide University Welfare Committee from 1973 to 1976. He retired from active service in 2006.

Professor Goldman was a prominent scholar of economic theory and mathematical economics and a mentor to many students. Goldman made important contributions to the theory of economic growth and planning, and his early articles on the topic (published in the *Review of Economic Studies* and the *Journal of Political Economy* in the late 1960's) represented a significant increase in realism relative to the existing models of planning in the literature. His early work also included influential contributions on key questions in economic theory, including characterizations of separability of demand functions and the scope for monopolistic competition in markets for durable goods. Goldman's later work included a series of publications in the *Journal of Economic Theory* exploring the effect of uncertainty on the demand for money, among them a 1974 article on a disequilibrium model for hyperinflation and others that provided a rigorous theoretical foundation for a precautionary motive for money. Goldman's research included investigations of competitive behavior in markets for exhaustible resources — a natural outgrowth of his early work on durable goods markets — as well as economic tradeoffs between equity and efficiency and nonparametric characterizations of consumer preferences. His scholarship in economic theory was notable for its rigor, ingenuity, and originality. Goldman also served on the Scientific Advisory Committee for the Scientific Registry of Transplant Recipients, where he provided analysis related to the matching of organs to transplant candidates, and he published a research article on cost optimization for treatment of infectious diseases.

Richard Gilbert, a long-time colleague and collaborator on resource extraction and competition, said "It was always a delight to work with Steve. He had enormous energy and enthusiasm, and I enjoyed watching his brilliant mind find clever solutions to difficult problems. He was a terrific colleague who could offer stimulating insights on almost any topic."

Goldman was a dedicated teacher at both the undergraduate and graduate level, and Gilbert, who co-taught the first year doctoral course in economic theory with Goldman, recounts, "It was then, and still is, the course most likely to create anxiety in our graduate students. Steve had ways to make it fun. He challenged the students with a take on the HAL 9000 computer from Kubrik's '2001: A Space Odyssey'. The HAL 9000 went

amok and threatened the spaceship. In Steve's version the HAL 9000 was a misguided agent in charge of choosing prices to equate supply and demand.”

In addition to his contributions to scholarship in economics, Goldman was an avid golfer and a fan of consumer technology. James Powell, a former colleague at Berkeley, took undergraduate and graduate courses from Goldman in the mid-70's. He recalled, "Steve loved gadgets. In one undergraduate lecture he came in with the latest HP calculator and explained how he had programmed it (in Reverse Polish Notation) to play the game 'Mastermind.' But his course was inspirational, and though the material was challenging I greatly looked forward to the lectures."

Professor Goldman is survived by his partner, Aimee Bakken of El Cerrito, his son, Aaron, and daughter-in-law, Amber Evans, of Oakland. His son, Jules, died in 1998 at the age of 19. In memory of Professor Goldman and his many contributions, the Department of Economics has created the Steve Goldman Memorial Prize Fund, which will fund the prize for the recipient of the Departmental Citation for undergraduate excellence.

Robert M. Anderson
Richard J. Gilbert
James L. Powell