

Econometric Society

In Memoriam

Hendrik Houthakker

President of the Econometric Society, 1967

It is with great sadness that I transmit to the membership of the Econometric Society the news of the passing, last April 15, of Hendrik Houthakker, President of the Society in the year 1967. I was privileged to be his colleague at Harvard, where he received me with much kindness and where I discovered a gentle man with very broad intellectual and social interests. My own proclivities led to many exchanges on revealed preference and on aggregation theory. I distinctly recall them as most enlightening. I was curious about the early history of the theory of revealed preference theory, and of the debates that led to the formulation of the Strong Axiom, a concept introduced by him and that will last for the ages. He would probe me on current developments. He was, for example, intrigued by Hildenbrand's work on aggregate production functions, a topic on which he had made seminal contributions. He was invariably sharp and illuminating.

Beyond economics proper it is impossible not to remember the Houthakkers, Hendrik and Anna-Teresa Tymieniecka, as hosts. They were wonderful. At their dinner parties the conversation run deep and wide, about economics, philosophy (Anna-Teresa being a philosopher), American politics and also, and very centrally, given the Dutch and Polish origins of the couple, the European scene (the iron curtain was still there).

Professor Houthakker was a member of the USA National Academy of Sciences. To add the proper information to this communication let me reproduce the obituary note prepared by the Academy:

"Hendrik S. Houthakker, was the Henry Lee Professor of Economics at Harvard University until his retirement in 1994.

Probably his best known work was "Revealed Preference and the Utility Function" (*Economica*, 1950), in which, through development of the strong axiom of revealed preference, he settled the last remaining question concerning the integrability of demand functions based on revealed preference. He also wrote two widely cited empirical books on consumption, *The Analysis of Family Budgets* (with S.J. Prais, 1955) and *Consumer Demand in the United States, 1929-1970* (with Lester D. Taylor, 1966). In a brief but classic article ("The Pareto Distribution and the Cobb-Douglas Production Function in Activity Analysis", *Review of Economic Studies*, 1955) he showed how a Cobb Douglas aggregate production function could emerge from a Pareto-distributed collection of fixed-coefficient firms. He wrote frequently on international trade, including the well known article with Stephen P. Magee, "Income and Price Elasticities in World Trade" (*Review of Economics and Statistics*, 1969). His research also reflected continuing interest in commodity and energy markets.

From 1969 to 1971 Professor Houthakker served as one of the three members of President Nixon's Council of Economic Advisers; previously, he had served on the staff of President Johnson's Council of Economic Advisers. He was a consultant to several government agencies and a member of the national Commission on Supplies and Shortages (1975-77).

Born on December 31, 1924, in Amsterdam, the Netherlands, Professor Houthakker completed his graduate work at the University of Amsterdam in 1949. Prior to joining the Harvard faculty in 1960, he taught at Stanford University (1954-60) and was Visiting Professor at the University of Tokyo (1955), at M.I.T. (1957-58) and at Harvard (1958-59). Earlier, he had conducted economic research at Cambridge University (1949-51) and was on the research staff of the Cowles Commission for Economic Research at the University of Chicago (1952-53).

Professor Houthakker was a member of the National Academy of Sciences, the American Academy of Arts and Sciences and the American Economic Association, from which he received the John Bates Clark medal in 1963; he was a Vice President of the AEA in 1972 and became a Distinguished Fellow in 1989. He was a Fellow of the Econometric Society, of which he was President in 1967, and a corresponding member of the Royal Netherlands Academy of Sciences. He received honorary doctorates from the University of Amsterdam and the University of Fribourg, and was an Adjunct Scholar of the American Enterprise Institute. From 1971 to 1991 he was Editor of *The Review of Economics and Statistics*. In 1987-88 he was acting chairman of the Harvard Economics Department. From 1980 to 1996 he was a public director of the New York Futures Exchange.

Following retirement from Harvard in 1994, Professor Houthakker and his wife moved from Belmont, Massachusetts, to Hanover, New Hampshire, to be closer to their long-time summer residence in North Promfret, Vermont."

He is survived by his wife of 52 years, Anna-Teresa Tymieniecka; his children Lois Tymieniecka Houthakker, Jan Nicholas Tymieniecka Houthakker and Isabella Romana Houthakker; and his brother Lodewijk Houthakker. To all of them and in the name of the Econometric Society our heartfelt condolences.

Andreu Mas-Colell
1993 Econometric Society President