

February 14, 2014

Provost Thomas Rosenbaum
University of Chicago

Dear Provost Rosenbaum.

I am writing to you regarding recent events concerning the RDCEP project (Center for Robust Decision Making on Climate and Energy Policy) based at the University of Chicago (Ian Foster, PI). I have included Professors Hertel, Hansen, and Brock, and Dr. Sanstad because I refer to them below. I have also included Professor Rosner because he is someone we both know well and is acquainted with many of the problems with RDCEP.

I have also included President Zimmer and Chairman Alper (via Vice President Fithian) because some of the matters I describe call into question the fundamental integrity of the University of Chicago.

I had been co-PI of RDCEP since its inception, and was one of the three co-PIs of the predecessor project called CIM-EARTH; Foster and Professor Moyer were the other co-PIs on CIM-EARTH. Under the NSF grant awarded to the University of Chicago, I was to receive \$17,000 in summer salary each year. I did receive those payments for 2011 and 2012. The University of Chicago, however, has now decided that I will not receive my 2013 Summer salary, and implied that I will not be able to receive the 2014 salary. Below is the email I received from Professor Foster:

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- 1) We included salary for you, as for the other Co-PIs, in the original RDCEP proposal. Your payment was described in the proposal as a subcontract to NBER, because that is how we thought we would make the payment.
 - 2) After the proposal was awarded, we realized that because you were a UChicago employee (via your visiting position in Econ), we could pay you directly via Econ. The revised budget submitted to the NSF in July 2010 reflects this change....
 - 3) We proceeded in this way for Years 1 and 2. However, in Year 3, the University told us that we could not [pay you due to NSF rules].
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Note the twisted logic of the University of Chicago. First, my salary money was redirected to go through the University of Chicago instead of the NBER because I was a regular visiting professor at the University of Chicago. Of course, one (quite reasonable) motivation was the desire for the University of Chicago to get the overhead. After the first two payments, however, the University of Chicago decided that it would not make more of those payments, apparently for reasons related to my teaching at the University of Chicago. After I was notified of the University of Chicago's final decision on this matter (which, ironically, came three days before I began teaching last fall and also implied that I could not receive the 2014 summer salary payment), I tried to discuss this with Professor Foster and Vice-President Levy. My questions were aimed at determining the rules, because knowing they would help avoid problems in any future collaboration with the University of Chicago within an NSF project. The response from Foster always was "I don't know". Somebody at the University of Chicago must know but neither Foster nor Levy would ever allow me to discuss this matter with someone who did know the rules and the reason for the recent changes.

I have always said that I will abide by the rules. After being notified of its inability to pay me summer salary, I never requested that the University of Chicago make any personal payment. At one point Foster

described any such payment to me as being "illegal". I had no quarrel with that. A few days after, however, he informed me that a \$17,000 payment was in process. This was happening with the full approval of Vice-President Levy. I immediately acted to stop this payment. As I told Vice-President Levy, I viewed this as "dirty money" because the only rational conclusion I could come up with was that Foster and the University of Chicago had decided to pay me the \$17,000 in summer salary specified in the grant, have the grant bear this cost, but do so in a manner that would not be visible to the NSF. I, however, was unwilling to participate in any transaction which appeared to be unethical, even if it were "legal."

More important, the central fact is that the NSF provided the University of Chicago with funds to support my research related to the RDCEP project. If that support could not take the form of summer salary then there I should have been part of a discussion about what form it would take. Many times I asked Ian Foster to meet to discuss matters related to the salary issue, but he refused. He insisted that any such meeting must involve Lars Hansen, another co-PI, a demand of his which was unnecessary because I knew, as a member of RDCEP management, that administrative details regarding the budget are solely the responsibility of Prof. Foster. Furthermore, Lars Hansen had just received the Nobel Prize and was obviously quite busy attending to the ensuing demands on his time. Out of both personal and professional respect for Lars Hansen, I refused to drag him into this.

The only rational conclusion I can arrive at is that the University of Chicago wants that money. Any trustworthy organization would apologize for the bureaucratic mixup and then work with me to find a way in which that money from the NSF could be spent to support my RDCEP work. The University of Chicago never apologized, which I don't care about. I do care about using the resources awarded to the University of Chicago to support my work. Even had I accepted its offer of \$17,000, the University of Chicago would still keep the lion's share of the NSF money that was to support my work.

The summer salary issue is just one of the ways in which the University of Chicago expressed its hostility to me last fall.

In December, Foster removed me from the RDCEP project with the full support of Vice-President Levy. In August there had been discussions about my possibly leaving RDCEP sometime in the future, but I never submitted an official letter of resignation. Because my \$51,000 in summer salary was at stake, I had assumed that no final action would be taken until I had officially resigned. I wanted to stay involved in RDCEP as it was processing changes in the employment status of my postdoc, Yongyang Cai. During the autumn, my negative experiences with RDCEP and other parts of the University of Chicago (including the University of Chicago's decision to give Cai an H1b visa that was ten months shorter than the one he was giving up), I changed my mind. I informed Foster of my decision one day before Cai began his current employment with the University of Chicago. Foster's response, on Monday, December 2, 2013, was to say that he had removed me from RDCEP despite my wanting to stay.

In fact, Foster first told the NSF that I was leaving RDCEP on August 31, 2013. He also said:

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Judd's resignation will not affect RDCEP in any substantive manner. The research that Judd has been performing will continue as we will retain Yongyang Cai (research professional associate, formerly postdoctoral scholar) who has been spearheading the work on dynamic models, working in particular with senior researchers Hertel, Sanstad, Brock and Co-PI Hansen. The PI (Foster) and other co-PIs (Hansen, Munson and Moyer) will assume Judd's administrative responsibilities with respect to the award.

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This is clear statement to the NSF is a totally false representation of the facts. In fact, Foster knows that it is false. As his December 2, 2013 message to me said (in part):

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I appreciate your interest in continuing to work with Tom Hertel and other project members. I know that they value this engagement.

Here are the facts, known to Foster and can be verified by Hansen, Brock, Hertel, and Sanstad. I have continued to make RDCEP work a high priority. Yongyang Cai continues to work under my supervision, and I am also working with Alla Golub (a research scientist for Hertel) and Jev Steinbuck (a former assistant to Hertel), and one ongoing project involves Josh Elliott. The only “withdrawal” that was ever discussed as a possibility was my leaving RDCEP management, not any reduction in my effort on RDCEP collaborations.

Yongyang Cai is a very talented researcher. Much of what I contributed to the RDCEP proposal was based on his PhD thesis work which was in progress at that time. He, however, is not “spearheading” any part of RDCEP. It is absurd to claim that a 2010 PhD plays that particular role in RDCEP. Why would Foster make such a claim? Is he setting up Cai as the scapegoat when it becomes clear that many of the dynamic economics objectives of RDCEP will not be achieved?

I have, in fact, been spearheading the dynamic modeling efforts, even before there was an RDCEP, and continue to fill that role. I was a co-PI, with Prof. Foster and Prof. Moyer in the MacArthur Foundation grant that gave CIM-EARTH its beginning. On that grant, I represented both the economics and computational expertise necessary for the economics parts of CIM-EARTH. The economic elements in the NSF grant that funded RDCEP expanded on the themes behind CIM-EARTH, and my role regarding computational modeling of economic dynamics expanded to include the new themes related to the work of Hansen, Brock, Hertel, and Sanstad. The only resource funded by RDCEP that I received was the hiring of Yongyang Cai. Because of the seven-month delay in RDCEP funding for Cai, I used my Hoover Institution research funds to fund him during that transition.

I have been generous in sharing his, and my, time with other parts of RDCEP. This slowed our own work, but was a decision I do not regret because it laid down a foundation that can be used to now help other RDCEP participants make substantial progress on their work.

One theme of RDCEP was using modern computational technologies to examine the complex economic dynamics that are surely part of any serious examination of issues related to climate change and policy responses. Initially, I was limited to using a cluster at the University of Wisconsin. Only in September, 2012, did Foster give me access to Beagle, a machine with 18,000 cores. I had been told by DOE officials for many years that I could not have access to their supercomputers to do economics research. When Blue Waters, a new NSF machine became available, I worked with Hansen, Hertel, Brock, and Fullerton (an economist who used to be part of RDCEP) to submit a request for time on Blue Waters for RDCEP projects, as well as other projects. Last spring, we were awarded 20,000,000 core hours. Given the absence of any programming support from the University of Chicago, however, I have not been able to take full advantage of that resource. I have, therefore, recruited young people with the expertise to use Blue Waters and who appreciate the chance to use such a machine. I am even using my Hoover Institution funds to hire programming help.

Despite all of the problems, I stand ready to work with RDCEP to accomplish the goals laid out in the NSF grant proposal. This is business, not a social event. I am still dedicated to and actively pursuing the research agenda that I help lay out in the CIM-EARTH and RDCEP proposals. Two weeks ago I sent to RDCEP management a proposal for hiring programming expertise, emphasizing that such funding would not reduce the support in the grant for the noneconomists in RDCEP. The roughly \$500,000 proposal (including overhead charges) would use resources that were meant to support economics aspects of RDCEP but, like my summer salary, have not yet been used. There has been no response. I learned recently that RDCEP management policy is to ignore any communications from me.

The summer salary issues and removing me from RDCEP are just two examples of Foster’s contempt for me. This hostility has also extended to other people involved in RDCEP but not associated with the University of Chicago.

This hostility is not news to you, or Vice-President Levy, or to President Zimmer. Attached to this email is a copy of a letter I sent to you, Vice-President Levy, and President Zimmer in December, 2009, regarding the internal problems in RDCEP. I aimed to keep the discussion at that time private because I did not want to take the chance of an email circulating widely. I personally delivered printed copies of this letter to your office, as well as those of Vice-President Levy and President Zimmer. I know that at least one of you received the letter because someone faxed a copy to Foster before I could deliver his printed copy.

The response of the University of Chicago administration was quiet but emphatic: no one even acknowledged receipt of the letter, a silence that loudly declared to me that Foster could deal with RDCEP researchers in any manner he wished. The incidents I described in that 2009 letter were representative of what came later.

In 2009, you expressed no concerns with Foster's management of RDCEP. Some have expressed concerns that RDCEP will collapse and be an embarrassment to the University of Chicago. A serious examination of the research coming out of RDCEP will show that it will be an embarrassment, particularly when you compare the output to the vision expressed in the CIM-EARTH and RDCEP proposals. This is an assertion that I am quite ready to back up in any conversation with you regarding RDCEP research.

The question now is whether the University of Chicago continues to support and endorse the decisions of Professor Foster, or whether if it prefers that NSF resources be used to to accomplish what was promised in the proposal.

I am willing to discuss these matters with you at any time. My basic goal is to get on with research.

Sincerely,

Dr. Kenneth L. Judd
Paul H. Bauer Senior Fellow
Hoover Institution

cc: Lars Hansen
William A. Brock
Alan Sanstad
Tom Hertel
Robert Rosner
Robert Zimmer
David Fithian
Andrew Alper