

## Clive and Rob's Excellent Adventure

by Mark Machina

Stockholm is beautiful, but freezing this time of year. The Nobel Prize is always formally awarded December 10, the day of Alfred Nobel's death. I'm gonna write the Committee and insist that the *next* time two San Diegans win the prize, they must move the ceremonies, either to June or to La Jolla. The sun here rises shortly before lunch, and sets in the middle of dessert.

It was great to see Rob again after a couple years. Although *my* hair is now the same color as his, *he* hasn't aged a bit. Though he's formally listed as being from NYU, all the talk has been about "San Diego's contributions to Econometrics." Indeed, with Rob, Clive, Hal, and honorary San Diegans David Hendry, Tim Bollerslev, Timo Teräsvirta, Svend Hylleberg, Tony Hall and Eilev Jansen all running around, the place seems just like UCSD on a Tuesday afternoon (only colder).

Both Clive and Pat, and Rob and Marianne, have full time personal valets, who see to their every need while they're here. They travel to the various functions in limousines, while everyone else gets shuffled about on buses. The whole operation runs with impressive Scandinavian efficiency. It has been awesome seeing Clive and Rob in this context – both are every inch a Laureate.

Before Sweden, the Engles had dinner at the White House (the Grangers were not invited since Clive is not a U.S. citizen). Rumors that Marianne made a pass at the President have been greatly exaggerated: What *really* happened was that the two of them bonded because of their common Texas background, and upon leaving, Marianne leaned over, held his arm, and told him that her sister used to see him jogging in Austin, and always thought he looked very sexy without a shirt. Rob maintains that when saying this she called him "Mr. President," but Marianne insists that she called him "George." (Imagine if she'd said a thing like that to Bill Clinton...)

The week has been full of receptions, dinners, press conferences, television sessions, and a private meeting with the King (Laureates and spouses only). The turning point in the week was the formal Prize Lecture Ceremony, given at Stockholm University. Though Clive and Rob appeared somewhat nervous up to that point, both have been immensely relaxed and happy since.

The prize lectures were both masterpieces. Rob, who showed clear signs of recent practice teaching MBA's, announced that he was going to make his talk very accessible, so that even his family would finally get an answer to their perennial question "What exactly is it that you do, anyway?" It was a perfect mix of finance, econometrics, humor, and for those who could tell, rigor.

Clive took a very different approach. Seated, and without any slides, he gave a talk that someone later described as an FDR-style "fireside chat". He introduced a beautiful expository device for describing time series, developed during his recent stay in New Zealand: "Say you had a loose string of pearls, and tossed them onto a table. Think of the result as an econometric time series – each pearl is subject to its own influences, but each is also somehow related to the ones next to it." He used this analogy throughout the talk, explaining cointegration by tossing two strings of pearls, etc. Everyone understood it perfectly – he wasn't just casting his pearls before Swedes...

In a dinner discussion as to whether Clive would now become knighted by Queen Elizabeth, Pat allowed as to how she had always wanted to be "Lady Patricia". When David Hendry informed her that her official title would actually be "Lady Clive Granger," she vetoed the whole idea.

Everyone's been fascinated by the whole Nobel Prize process, and in particular, how they make sure they can find and notify the winners directly, before the news spreads around the world. One Swede claimed that the Nobel Committee makes its decisions months in advance, then assigns someone to continuously monitor each winner's whereabouts from that point on. Rob said that when he asked the Committee about this, they said no: They simply call the winner, and if no one is home they try again in 15 minutes, and if this fails, they just give it to someone else. When Rob looked horrified upon hearing this, they smiled and told him no, this was just the standard joke they tell new Laureates.

The formal award ceremony was 100% pomp, circumstance and style. Some speeches were in Swedish and some in English. In between the various awards – Literature, Medicine, Chemistry, Physics and Economics – the Stockholm Philharmonic (and soloists) played (and sang) Handel, Mozart, Beethoven and Poulenc. Each Laureate received trumpet fanfares. Clive sat patiently through it all, but looked like he was just itching to get back to work and prove some new result.

The banquet was European splendor at its finest – 1,300 guests, over 110 waiters (by my count), musicians, several processions, and speeches by Laureates. Everyone was in white tie and tails: Clive and Rob looked absolutely regal, but geeks like Bollerslev and me looked like penguins. Since the King proposed several toasts, 1,300 classes got filled and refilled with Dom Perignon. Rob spent much of the time chatting with tablemate Al Gore. After the banquet, everyone went upstairs for dancing. I overheard talk of several parties that were scheduled to start at midnight.

The whole experience has been memorable from start to finish. Which is good, since now Hal will know exactly what to do when it's his turn.

Stockholm, December 11, 2003



Rob and Clive after the Prize Lectures