

Dear friends, colleagues, and supporters of CERGE-EI,

With the turn of the year, I want to warmly thank you for your support of CERGE-EI and its mission of excellence in economics research and education. As has become an annual tradition, I would like to highlight some of our news and achievements of the year:

- CERGE-EI has maintained its strong position in the global research rankings, currently standing in the top 5% according to both the Research Papers in Economics (RePEc) and the Social Science Research Network (SSRN). Our faculty and researchers have continued to publish widely in leading impact-ranked journals, including the top 5 economics journals.
- Among the numerous awards received by our faculty and researchers, let me highlight several of them. Jakub Steiner received the prestigious European Research Council (ERC) Consolidator Grant. It is the second ERC grant for CERGE-EI, following Filip Matejka's ERC Starting Grant, commencing last year. CERGE-EI is also the only academic workplace in the Czech Republic where scholars have been awarded ERC grants in the field of economics. The Exeter Prize for the best paper in behavioral and experimental economics in 2017 was awarded to Vojtěch Bartoš, Michal Bauer, Julie Chytilová, and Filip Matějka. Professor Christopher Sims, the 2011 Nobel Laureate and a member of our Executive and Supervisory Committee, was awarded an honorary degree Doctor of Economic Sciences, *Honoris Causa*, from Charles University.
- We have also continued to expand our applied research agenda. The IDEA think tank published 18 policy-oriented research studies, 6 of them to foster informed public pre-election debates in a series called IDEA for Elections 2017. IDEA organized 8 public lectures and other events, attracting attention from specialist and general audiences as well as the media. IDEA researchers have also actively participated in the Strategy AV21 – a program for excellent research within the Czech Academy of Sciences, with Daniel Münich coordinating the 'Effective Public Policy and Today's Society' research program and a special project aimed at a comprehensive analysis of the country's R&D&I sector.
- The range of countries our students come from has further expanded: Students from 18 countries (Armenia, Canada, Czech Republic, Georgia, Greece, Iran, Italy, Kazakhstan, Kyrgyzstan, Nigeria, Republic of Ghana, Russian Federation, Serbia, Slovak Republic, Tanzania, Ukraine, Uzbekistan, Vietnam) have enrolled in the PhD in Economics and Masters in Applied Economics programs.
- Our PhD students Mykola Babiak and Nikoloz Kudashvili received the first and second prizes, respectively, in the Czech Economic Society's Young Economist of the Year competition. Mykola Babiak's paper 'Generalized Disappointment Aversion, Learning, and

Variance Premium' also won 1st place in the Czech Econometric Society 2017 Competition for the Best Student Paper in Theoretical Economics.

- Some of the outstanding academic placements of our PhD students and graduates this year include Ján Palguta (PhD 2016), who will take up a Visiting Professor position at the Department of Economics, Universidad Carlos III de Madrid, from January 2018, and Dejan Kovač (PhD Candidate, expected graduation 2018) who has started a Research Associate position at the Woodrow Wilson School of Public and International Affairs at Princeton University. Jakub Matějů (PhD Candidate, expected graduation 2018) spent a year working at the European Central Bank. Tomáš Miklánek (PhD 2017) has become an Assistant Professor at the University of Economics, Prague.
- In 2017, we have also enjoyed successes and news from our alumni. Here are just a few of them: Martina Lubyová (PhD 2002) became the Minister of Education, Science, Research and Sport of the Slovak Republic. The CERGE-EI community again voted for the Alumni Award. The 2017 winner became Petar Buha (MAE 2015) for his contribution to CERGE-EI, especially to the Economics Discovery Hub. Filip Pertold (PhD 2010) received the CERGE-EI Honorary Award for the popularization of economic research and its impact on society.
- This year, we also had to face very sad news. Doc. Milan Horniaček, a CERGE-EI faculty member from 1995 to 1999, died on September 10, 2017. Milan used to teach microeconomics and game theory to our PhD students. He will remain in our memories.
- In the 2017/18 academic year, 187 Teaching Fellows taught more than 380 courses at 83 universities in 22 countries throughout Eastern Europe, the Caucasus, Central Asia, Russia and Ukraine. 59 of these are Career Integration Fellows, supported by a program for talented young scholars with Western PhDs who return to their home countries to assume full-time university positions.
- More than 40 speakers gave public lectures and research seminars at CERGE-EI, including prominent scholars such as Bo E. Honoré (Princeton University), Ayse Imrohoroglu (Marshall School of Business, University of Southern California), Philip Reny (The University of Chicago), and Ádám Szeidl (Central European University). The CESifo group again presented their EEAG Report on the European Economy at CERGE-EI. It is one of Europe's key policy publications, this year focusing on the rise of populism and immigration. The honorary guest of the CERGE-EI Graduation Gala 2017 was Prof. Jeffrey Sachs, who also gave the keynote speech on the topic of economic divisions and tensions within the European Union, and the challenges from outside the EU.
- The Economics Discovery Hub, CERGE-EI's free platform for student educational activities entered its second year of existence and expanded its scope. More than 600 students registered for 30 workshops, courses and lectures. The Projects in Applied Economics for Talented Students, a 12-week course for high-schoolers successfully took place at CERGE-EI for the second time to introduce economics research to a young and talented audience.

- This year, we began construction to establish a Digital Media Center at CERGE-EI. The center will incorporate a new lecture theater and studio, both equipped with the latest audiovisual technology. The facility will be available for live-streaming lectures and seminars to multiple institutions, and for faculty and students to hold virtual meetings with overseas supervisors, research partners, and colleagues around the world. This project, jointly funded by the Czech Academy of Sciences, USAID, and Charles University, will reinforce CERGE-EI's reputation as a center of excellence in economics by enhancing our collaboration channels for research and allowing us to deliver modern economics teaching to a wider audience.

I would like to emphasize that none of our achievements would have been possible without the ongoing support of our parent institutions, the Czech Academy of Sciences and Charles University. Our thanks also go to all CERGE-EI supporters for their dedication and commitment.

Let me wish you all Happy Holidays and a successful New Year!

Sincerely,

A handwritten signature in blue ink, appearing to read "Michal Kejak".

*Michal Kejak,
Director of CERGE-EI*

Prague, Czech Republic, December 21, 2017