

Economics Department Advisory Group
Fall 2015 Meeting
9 October 2015

Executive Summary

Welcome

The Advisory Group convened at 9 am in Hyde Hall on the UNC campus. Patrick Conway, Chair of the Economics Department, welcomed the group of Economics alumni, Economics faculty and Economics undergraduates. Also in attendance were Jonathan Hartlyn, Senior Associate Dean for the Social Sciences, as well as Ronda Manuel and Ishna Hall of the Arts and Sciences Foundation.

We began with short introductions by those in attendance. There was a strong North Carolina flavor in the “where I’m from” section of those introductions, although Indianapolis came up surprisingly often.

An Update on the College of Arts and Sciences

Senior Associate Dean Hartlyn brought the College’s welcome to the Advisory Group. The Economics Department is one of the largest departments of the College, ranking third behind only Biology and Psychology in terms of number of majors. It is also the home of the Minor in Entrepreneurship, a dynamic and innovative program that has brought energy to the College and to undergraduate education on campus. The faculty members of Economics are active researchers addressing important problems that face the state, the country and the world. They are also engaged teachers and provide important service to the university, and the broader community. For these and many other reasons, the Dean’s office recognizes the central role of Economics in the College’s mission of research, teaching and service.

Our current Dean has established a number of priorities, and for many of these the Economics Department is central. First, she has made it a priority to strengthen the core disciplines on campus – and Economics is squarely within that core. Second, she has proposed a number of cross-cutting inter-disciplinary initiatives. Some (for example, the digital humanities or applied sciences) are focused upon other parts of campus, but for others (rethinking teaching techniques in undergraduate courses, introducing innovation and entrepreneurship to the curriculum, and globalizing research and teaching) the Economics Department is central. Economics faculty play leading roles on campus in rethinking our teaching in large classes. The Minor in Entrepreneurship is the linchpin of the College’s efforts to instill the curriculum with the spirit of entrepreneurship. And many Economics faculty address global problems. For all of these reasons, Economics is an important part of the Dean’s planning and contributes heavily to the execution of her plans.

At the time of our meeting, the North Carolina legislature had just approved allocations to the UNC System in a state budget for the year beginning 1 July 2015. The College estimates that it will receive notification of its share of that allocation in November, and will at that time make final determinations regarding budget allocations, including for faculty hiring. As an indication of the importance of Economics in the College's planning, the Dean's office has already authorized one search for a tenure-track faculty member in the Department.

Our current Dean, Karen Gil, announced her intention to step down last year and the the University is currently engaged in a search for her replacement. The five finalists for the position have visited campus and have given public talks over these past several weeks. We anticipate that the choice of the new Dean will be made by the Provost and the Chancellor in November or December of this year. A new Dean could be in place by January 2016, although it may be later.

Development Update

Ronda Manuel, Associate Director of Development for the Arts and Sciences Foundation, spoke briefly about the role of fund-raising for the Economics Department and the University. The funds committed by private donors play a crucial role in the ability of the Economics Department to innovate and to improve its undergraduate and graduate offerings. They also play a crucial role in recruiting new faculty and in retaining our current professors. Patrick Conway chimed in with specific examples of each of these in the past year. She prepared a handout (appended at the end) of fundraising totals in recent years.

State of the Department

Patrick Conway spoke about the current accomplishments and challenges of the Economics Department.

His summary: this is a confident department, pivoting to face a number of challenges.

- We are confident that we are doing well by our students in our classes. We have excellent researchers and instructors on the faculty. Rita Balaban (in attendance) won a University-wide Tanner Teaching Award last year, while Donna Gilleskie won a University-wide graduate-student mentoring award: they are our most recent award winners, but they won't be our last.
- We are confident that we have the researchers in place (or on the way) to make a difference for our state and the world.
 - We've hired Peter Reinhard Hansen as the Latané Distinguished Professor of Economics. He is world-renowned for his work in the econometrics of financial markets.

- We have added four new researchers in the past year. Kyle Woodward (in attendance) is a micro theorist, while the others specialize in health, labor and education economics.

We recognize, though, that we still have challenges.

- We have 1200 majors on campus (third highest in the College, and more than the Business School), and we have only 33 instructors. This leads to excess demand for our courses, especially among students in their second or third year on campus. We've added faculty, but enrollments continue to rise. We need to keep adding faculty, and innovating, to keep up with our responsibilities to these students.
- We're still discovering ways to personalize an undergraduate education when so many students are coming through our doors. Donor support has been critical in this, since with that funding we are able to fund extracurricular activities (like the Fed Challenge we discussed last meeting) that really deepen their learning.
- Funding for graduate students remains remarkably low when compared to peer institutions. Donor contributions are helping, but there's a large initial mismatch.
- Retaining faculty remains a challenge, especially with our recent history of small or no raises for University employees. We had two successful retentions in the past year, but they would not have been possible without private contributions.

Group discussion: Creating Career Opportunities for Economics Students.

In this portion of the meeting, we asked the assembled alumni, faculty and students to reflect upon our undergraduate curriculum and their views of the optimal training for students planning careers in economics, business, and other fields. We organizing our thinking around four questions.

1. What experiences and/or skills differentiate your successful colleagues from the less successful ones?

We had substantial discussion around this question. Among the responses:

- Individuals who can translate the theory of economics into English – that is, those who can articulate and apply economic concepts.
- Those who can recognize instances where simple economic reasoning (e.g., the predictions based on perfect competition) will lead the individual to the wrong conclusion. These individuals know when the simple principles of economics must be adapted.
- Those who understand that in empirical work, our predictions always come with a standard error. These individuals know how confident they can be about their predictions.

These all have important implications for undergraduate course offerings. While the basic principles of economics need to be taught, we do have to pay attention in our intermediate and advanced courses to the ways in which simple predictions must be amended to reflect the difference of the real world from the assumptions underlying the simple principles. While perfect competition or a single labor market are useful constructs for laying out economics principles, it is important for the successful student to know when and how these assumptions must be relaxed. We also need to have opportunities for students to explain their economic reasoning to others – not just in jargon, but also in the simple language that those without an economics degree will understand. Finally, there is an important role for “statistical literacy”, or “data literacy”, in our economics courses. We are currently strengthening that part of our curriculum through the addition of courses in econometrics and the establishment of our first course in statistics and econometrics as a prerequisite for all field and advanced courses.

2. What is the one trait that is indispensable to success?

These responses did not focus directly upon features of the curriculum, but rather features of the student. Among the traits mentioned were (a) driven, (b) someone with soft skills, and (c) a problem-solver.

In discussion, we agreed that we can’t teach “driven”, but we can encourage it. Our extracurricular activities (the case competition and stock-picking contests of the Econ Club, or the Fed Challenge team) give our students a chance to demonstrate how “driven” they are.

“Soft skills” are the skills of working in teams: civil argumentation, accommodation of different viewpoints, ability to work toward a joint product. While these are difficult to encourage in large classes, we can innovate in our advanced classes to stress these skills.

“Problem solvers” are those who can think critically, beginning from economic principles and then adapting those to address specific problems. We encourage this trait through the content of our courses. The structure of our advanced courses, specifically, can be modified to include opportunities for this.

3. Does the Carolina Economics curriculum prepare students well to be successful in your field?

We began this discussion with a refresher course in the Economics curriculum. Once that was completed, the alumni had an important “yes, but” response. Yes, the courses available in the curriculum will prepare students well for their disciplines (finance, economic analysis and consulting) if the students take the appropriate set of courses. There was some concern, though, that the students were not on their own able to identify the right set of courses for a specific career path.

This led to a very interesting suggestion – that the department identify a small number of “tracks” and associated courses. A “financial analyst track”, for example, might include the macro and financial-markets courses we offer currently, but also include a set of statistics/econometrics courses. A “grad school in Econ track” would include our advanced courses as well as complementary Math Department courses. The “tracks” would be for

information only, but would be very helpful in mentoring students wishing a specific career in Economics. Patrick Conway agreed to advance this proposal on campus, and asked the alumni in attendance for their assistance in this.

The alumni also suggested that their own careers were more interdisciplinary than is reflected in the current curriculum. This wasn't an argument for more political-science courses in our major, but rather that we think in terms of interdisciplinary sets of courses for certain careers. Data analytics (economics, statistics, computer science) is one example that came up; public policy analysis (political science, economics, public policy) is another.

More discrete skills were also mentioned: the ability to work with data in Excel was cited as a necessary but not often taught skill. We considered ways in which current courses in Economics integrate Excel use in their syllabi.

4. What is the one thing that you wish you had added to your study of Economics?

We came up with a number of fascinating ideas here. Included are:

- Computer programming classes.
- Study abroad
- A room in Gardner designated as a “hangout” for majors between classes.
- More mathematics classes.
- The type of “tracks” discussed under 3 above.
- Short learning modules on discrete items (like Excel above, or R programming)

Speed-coaching with undergraduates in Economics.

This was an invigorating hour-long session in which we formed coaching teams of one alumnus (or alumna) and one faculty member, and then had undergraduate Economics majors consult with each set of coaches for 10 minutes on the student's questions about preparing for a career in Economics. The students came prepared with their resumés and questions about the future; the coaching teams gave their advice on best ways to achieve the future that the student had in mind. After 10 minutes, the students rotated to meet a new set of coaches – and get a new set of advice.

Coaches and students alike found it a very useful activity. I can't say it any better than one of our students, who subsequent to the session wrote to one of our alumni coaches:

After talking with you, I immediately went home to research the Carolina Health Informatics Program. I must say, I am thoroughly impressed that you knew exactly what I was interested in after only talking to me for five minutes. I was hooked after reading just the main description about the program.

On the coaches' side, it was a wonderful opportunity to learn more about individual students' goals in taking the Economics major.

Session summary

We closed with a plenary discussion among alumni, faculty and students. The comments from all were very positive, both about the sessions we'd had and about the direction of the undergraduate Economics curriculum. We agreed to convene once again in Chapel Hill on **Friday, April 8, 2016**, with the hope that both those in attendance and those unable to attend this time will be able to come.

Economics Department Development Report



