

Economics Department Advisory Board

Fall Meeting: 12 October 2018
Great Room, Top of the Hill, Chapel Hill

Welcome and introductions. Kayce King and Matt Guest, co-chairs of the Economics Department Advisory Board, welcomed our board members in attendance. They included Scott Bass, Mark Buono, Charles Duncan, Matt Guest, Harriet Holderness, Kayce King, Bryan Morris, Andy Pike, Ryan Wesslen and Sam Williamson.

Also in attendance were Dean Kevin Guskiewicz of the College of Arts and Sciences, Professor Peter Blair Henry of New York University, Professors Patrick Conway, Anusha Chari, Donna Gilleskie and Jonathan Williams of the Economics Department, and Abby Coleman and Ronda Manuel of the Arts and Science Foundation.

Introduction of Peter Blair Henry, UNC Distinguished Alumnus Award Winner for 2018.

We met on UNC's birthday: University Day. Peter Blair Henry, a 1991 UNC graduate with a major in Economics, was recognized during that celebration as a Distinguished Alumnus. After graduation, Dr. Henry attended Oxford University as a Rhodes Scholar. He then earned his Ph.D. in Economics from MIT, earned promotions and tenure from the Graduate School of Business at Stanford University, and in 2010 became the Dean of the Stern School of Business at New York University.

Dr. Henry spoke briefly to the Advisory Board. He thanked them for their service and for their support of the Economics Department. The Economics Department played a crucial formative role in his life and he is appreciative that this same opportunity will be available to current and future students.

Development summary. Ronda Manuel, Associate Director of the Arts and Sciences Foundation, spoke to the board about the success of the current UNC campaign. The University is running ahead of its goal, with 54 percent of the funding raised in 47 percent of the campaign's duration. The College of Arts and Sciences has had success during this period as well. The Economics Department has received two large estate gifts from Ph.D. graduates in the past year: \$2 million as an initial gift and \$700,000 as a revaluation of an estate gift. Economics also received an increased volume of discretionary gifts in the last fiscal year: \$50,000 two years ago, \$60,000 one year ago, and \$120,000 in the fiscal year completed in June 2018.

Greetings from the Dean of the College of Arts and Sciences. Dean Kevin Guskiewicz welcomed the Advisory Board to Chapel Hill, and congratulated Peter Henry for his Distinguished Alumnus Award. He spoke of the satisfaction that he has with his job, at this point nearly three years into the role. He spoke about the new General Curriculum and about the new courses (e.g., the first-year seminars and the Ideas, Information and Inquiry (III) courses) for first-year students. He also mentioned University Research Week, coming up in early November, to recognize the central role that research activity plays in both graduate and undergraduate education. He recognized the large role that Economics plays within the College. He mentioned the University's Master Plan for Modernizing Carolina Classrooms – including two in Gardner Hall!

He also fielded questions about the once and future location of Silent Sam as well as the impact of this controversy on charitable giving to the University.

The State of the Economics Department. Patrick Conway, Chair of the Economics Department, welcomed the Advisory Board members back to campus. He expressed the department's appreciation for the Board members' support, both financially and in time devoted to the department's improvement. He noted that Peter Blair Henry's award is an excellent reminder to us of the opportunity that comes with a UNC Economics education: these possibilities are what make our service so rewarding. We are determined that each student succeed.

As the Dean noted, Economics is a central part of the College of Arts and Sciences. We are the third-largest major on campus – larger than the Business undergraduate degree, larger than the Journalism undergraduate degree, larger than every College department except for Biology and Psychology. Among the Social Sciences, one in four majors is in Economics.

We summarize our role using the Dean's language: strengths, opportunities and threats.

Strengths:

- We have a cadre of very effective instructors in our large-enrollment classes.
- We have a reputation for innovative curriculum, with the Credential in Quantitative Financial Economics as a prime example.
- We have a strong and improving group of research faculty, leading to rising rankings among universities worldwide. Two examples of this research leadership are the Center for Regulatory and Industrial Studies (CRIS) and the Machine-Learning Initiative.

Threats:

- We face the loss of our faculty to other universities offering higher salaries.
- We have extremely low stipends for our graduate students. These make it difficult to compete for the better candidates for the Ph.D. program.

There are opportunities to improve: we can build upon these strengths while countering the threats. Your generosity as private supporters provide us with the financial resources necessary to compete for faculty and graduate students, and your generosity with your time allow us to buttress our innovative curricular offerings.

[A note that illustrates your generosity: as we were leaving our Advisory Board meeting, one of our Board members committed \$50,000 to a fund to assist in recruiting and retaining graduate students. Thank you!]

The Graduate Student Experience in Economics. Three graduate students joined the Advisory Board in a panel to discuss three facets of the graduate learning environment at Carolina.

Anessa Custovic joined us to speak about the complementary nature of teaching and research. She is a student of financial econometrics and is working with Professor Eric Ghysels on projects to estimate the determinants of financial markets. She is also an instructor in our undergraduate course

Economics 425 (The Economics of Financial Markets) and a teaching assistant for the Credential in Quantitative Financial Economics (QFE). She finds that her research and her teaching are complementary: what she learns as a researcher makes her a better teacher, and what she learns as an instructor makes her a better researcher. She is in her third year as a graduate student and anticipates taking advantage of this complementarity for the next two years before finding a job as an academic or financial-market researcher.

Quinton White joined us to speak about the research environment for graduate students. He is a specialist in industrial organization, the theory of how firms compete with one another to serve their customers. This is an area of faculty strength for the Economics Department; when he began at Carolina there were three faculty specializing in the area, and now there are four. A big change, however, has come from the creation of CRIS. Professor Jonathan Williams is director of CRIS (learn more at cris.web.unc.edu) and has used his industrial contacts to create a steady flow of practitioners as visitors to the Economics Department. This flow sharpens theory and policy discussions by giving them a “real world” flavor. Charles Duncan, Advisory Board member, was one of the practitioners brought to visit CRIS. Professor Williams spoke to the group about the opportunities to sponsor student research through the CRIS framework.

Yi Zhong is a sixth-year student in the graduate program. She is a specialist in health economics, and has worked on a number of research teams during her time at UNC, including the Big Data To Knowledge (BD2K) initiative. Her thesis work investigates empirically why individuals avoid health screenings, and finds that “health anxiety” – an unwillingness to learn new information that can potentially be negative – is a significant contributor to this avoidance. Professor Donna Gilleskie advises her in her thesis work, and is a co-author of hers on two recent papers. Professor Gilleskie spoke as well, noting the gains to faculty members of working with motivated graduate students like Yi Zhong.

Career Coaching for Undergraduates. The Advisory Board closed its activities with a “speed coaching” session with 18 of our Economics majors. Each Board member had her/his own table, and the students rotated through, one by one, to sit with each Board member for five minutes. We had a mixer at the end to give every student a chance to spend a longer time with the Board members whom they found most interesting. Not surprising, the event was an unambiguous success with both groups. The undergraduates’ favorite adjective for the event was “awesome”, while the Advisory Board members were marveling at the poise and sophistication of the undergrads. Students and Board members then traded email addresses at the end so that their conversations could continue. Everyone agreed: we need to do this again.

Next Meeting. The next meeting of the Economics Department Advisory Board will begin Thursday, 11 April and continue through Friday, 12 April. We will begin Thursday afternoon with a joint lunch and “mocktail” party with Economics students, Entrepreneurship students and members of the Shuford Program in Entrepreneurship Advisory Board.