

Economics Department Advisory Group  
Spring 2018 Meeting  
April 20, 2018

### **Advisory Group Meeting Attendance:**

Members: Scott Bass, Christina Benson, Mark Buono, Charles Duncan, Matt Guest, George Kahn, Kayce King, Bryan Morris, Andy Pike, Jonathan Pingle, David Robinson (reception only)

Visitors: Sam Hayek and John Leeth

### **Executive Summary**

Following an informal reception at 411 West on Thursday evening from 5-7 pm, the Economics Department Advisory Group convened at 9 am Friday morning in the Great Room of Top of the Hill on Franklin Street in Chapel Hill. Kayce King and Matt Guest, the co-chairs of the Advisory Group, welcomed the returning Economics alumni/ae, visitors, faculty and students and led the introductions. Donna Gilleskie, interim chair of the Economics Department was present, along with Pat Conway, returning chair; David Guilkey, Cary C. Boshamer Distinguished Professor of Economics; Simon Alder, assistant professor; and Jed Simmons, professor of the practice in the Shuford Program in Entrepreneurship. Several undergraduate Economics majors, Entrepreneurship minors, and Ph.D. students were also in attendance. Rudi Colloredo-Mansfeld, Senior Associate Dean for Social Sciences and Global Programs joined us, along with Ronda Manual, Associate Director of Development for the Arts and Sciences Foundation, and Ishna Hall, Director of Development for the Arts and Sciences Foundation.

### **A Greeting from the Senior Associate Dean of the College of Arts and Sciences**

We switched the order slightly from the published agenda, and began with a greeting and update on the College of Arts and Sciences by Rudi Colloredo-Mansfeld, Senior Associate Dean for Social Sciences and Global Programs. This year was Rudi's first year as Senior Associate Dean, and he has enthusiastically taken on the responsibility of learning about the social science departments under his purview. He was recently chair of the Anthropology Department, and has quickly discovered that the ways of economists might be a far cry from those of anthropologists. Rudi updated us on several initiatives of the College of Arts and Sciences, and expects that the Economics department can play a critical role in each. He began by discussing the Chancellor's Signature Global Initiatives, which will advance UNC's global mission and strategy and are major campaign gift opportunities. He then focused on the Shuford Program in Entrepreneurship, housed within the Department of Economics, as an important college-wide educational program recognizing a common process for realization of new ventures (startups, non-profits, artistic endeavors, and growth within existing enterprises) that transcends many disciplines and backgrounds. It brings a unique structure to the College of Arts and Sciences by integrating students with interests in a variety of disciplines.; the minor draws students from Economics, other social sciences, the natural sciences, and the arts. Next, Rudi talked about the University's emerging data science initiative. In particular, we are seeking ways to integrate social science perspectives into the larger data science efforts across campus. The Economics Department has contributed ideas around research, graduate training, and networking. Lastly, Rudi shared that the Curriculum in Environment and Ecology will officially become the Environment, Ecology and Energy Program (E3P) on July 1. He described the opportunities for Economics faculty and students in the new E3P.

### **Economics Department Update**

Professor Donna Gilleskie, as interim chair, then provided an update about the Department of Economics. This fall, we said goodbye to Professor Helen Tauchen, as she retired after serving the

department well for forty and one-half years. She will be missed by students, faculty, and staff. We were able to retain two valued faculty members: Jon Williams (Associate Professor) and Fei Li (Assistant Professors). Jon, who joined us just three years ago, is a very innovative researcher in the area of industrial organization. He is launching the Center for Regulatory and Industrial Studies (CRIS), an initiative within the Economics Department to support research focusing on policy and regulation directed at industry. Fei is a rising star and we are grateful to have him continue his successful career with us. His wife, Can Tian, will join us as an assistant professor this fall. Can, who graduated from Penn and who was an assistant professor at Washington State University, is happy she and Fei can finally live in the same place. And you can't beat Chapel Hill, North Carolina. Can is an applied theorist whose work includes applications in business cycles, industry/firm dynamics, production networks, and search and matching. We also recruited two additional assistant professors during our "any field" job search this past winter. Qing Gong, also with a degree from Penn, is an applied microeconomist with interests in public and health economics; her current work examines physician learning and treatment decisions. Luca Maini, a Harvard Ph.D., is an industrial organization economist, who currently studies reference pricing in the pharmaceutical industry. We are proud to mention that Rita Balaban, Teaching Professor, has won another teaching honor: a university-wide Chapman Family Teaching Award.

Having now finished the spring semester (and 2017-2018 academic year), our final numbers indicate that we had 1295 majors and taught 6973 student "heads". We graduated 376 majors this past May and recognized each person by name at our Graduation Reception. Recall that our program also houses two undergraduate minors – the Shuford Program in Entrepreneurship (or E-minor) and the Philosophy, Politics, and Economics minor (PPE minor). There were 570 entrepreneurship minors in 2017-2018 with 121 graduating in May. The PPE program is growing and we expect to see quite a bit of support for that program from the College. Additionally, 25 students earned our Quantitative Financial Economics (QFE) Certificate this year. Our graduate program, offering a Ph.D. in Economics, has a rolling 75 students, and 24 received their degree this year. The Economics Department includes 30 tenured and tenure-track faculty, 6 fixed-term faculty, and 4 Professors of the Practice in Entrepreneurship. Initiated around the turn of the 20<sup>th</sup> century, the department has grown tremendously since its 3-course beginning. Currently, nearly 40 percent of incoming first-year students take Economics 101, and 1 in 10 UNC graduates is an Economics major. Economics is the third-most popular major in the College of Arts and Sciences, after biology and psychology.

Donna reported that the EconAid Center, which you and the students were introduced to last year, has been a great success. Kalina Staub has worked tirelessly to schedule peer and graduate tutors for office hours at the Center. Students are using the center in all the ways that Kalina envisioned. This year, Kalina also initiated, with the encouragement of several female graduate students, the Women in Economics club. The club has met several times with guest speakers and topics for discussion in order to foster professional development of women in this male-dominated profession. Our Quantitative Financial Economics Certificate program, led by Mike Aguilar and Pat Conway, completed its second year and expects increased demand for next year. In terms of curriculum changes, we have introduced ECON 470 (Econometrics) as a 400-level course (i.e., think ECON 570 – or 170 for older folks in the crowd – without the paper requirement) in the hopes that students expose themselves to econometrics earlier in their course schedules so that we can bring more econometric analysis and examples into the 400- and 500-level courses. This way, we hope to expand the opportunities for students to write papers with econometric analysis in a variety of 500-level capstone economics courses.

Donna ended the department update with a few examples of how board members and alumni/ae could support the economics department. We would love to be able to offer research assistanceships to our graduate students (which would take them out of the classroom and expose them to a faculty member's

research project); faculty members would compete to obtain this RA funding and could pick the appropriate students. This mechanism would allow us to fund additional students from our instructional budget, thus allowing us to grow the Ph.D. program in terms of number of admitted students. Rita Balaban suggested creating a Teaching Professor Post-Doc (two-year) position. This recruited post-doc could be assigned to help restructure a current faculty member's course, while he/she learns from our superb team of teaching professors who have been very innovative in the classroom. And, he/she gets to experience teaching at a large university as opposed to a small liberal arts school. We believe we'd be able to attract top candidates with strong economic backgrounds and much desire to teach. Lastly, we would like to develop a list of alumni/ae who could mentor current undergrads by being available to discuss future direction/opportunities for Economics majors. We have heard from several of you who have graciously and eagerly asked to be on this list and are willing to visit a classroom to talk about the economics tools used in your day-to-day work activities.

### **Development Report**

Next, we briefly heard from Nicole Rubin, an Advisory Group member, who joined us from California (6:00 am her time) via Skype to share her fundraising idea. Unfortunately, the connection was lost, but Ronda Manual jumped in to provide the details of Nicole's campaign. We are excited to report that in early May we mailed Nicole's heartfelt/personal letter to almost 800 Econ majors two years on either side of her graduation year (1991). Since then, Charles Duncan has expressed a desire to do something similar with cohorts around his graduation year (1996) and we have had another UNC economics Ph.D. graduate, Steven Cobb, request to repeat this campaign aimed toward fellow Ph.D. graduates from our department.

Ronda Manual, Associate Director of Development for the Arts and Sciences Foundation, shared an update on Carolina's "For All Kind" five-year campaign, which began in the fall of 2017, seeking to raise \$4.25 billion. To date, \$1.8 billion has been raised. The unrestricted dollars in outright gifts going to the Economics Department as of April 2018 was \$105,000, and is over double what was raised the previous year. Ronda highlighted contributions to the Discretionary Fund of the Economics Department. These are unrestricted gifts that assist the Department Chair in his or her efforts to recruit new faculty or to retain our current faculty. The Chair also uses these funds to support graduate or undergraduate students in their research initiatives.

### **Economics and Entrepreneurship**

Donna introduced Jed Simmons, Entrepreneur in Residence, to speak about the Shuford Program in Entrepreneurship. Created in 2004, Carolina's minor in entrepreneurship was the signature program of the Carolina Entrepreneurial Initiative, established with a \$3.5 million grant from the Ewing Marion Kauffman Foundation. The minor has grown exponentially and more than 800 students have graduated from Carolina with a minor in entrepreneurship. In 2015, UNC-Chapel Hill received the Entrepreneurial University Award for excellence in student engagement and curriculum innovation from the Deshpande Foundation. Last year, The Princeton Review ranked Carolina's undergraduate entrepreneurship programs 14<sup>th</sup> in the nation (rankings encompass entrepreneurial offerings at both UNC Kenan-Flagler and the college). In 2017, the Shuford family made an \$18 million gift to the University of North Carolina at Chapel Hill's College of Arts & Sciences to more than double the size of Carolina's nationally recognized undergraduate entrepreneurship program. To showcase the connections between the E-minor and the Economics major, we heard from Rio Chamberlain, a current student in both programs, and Chenxi Yu, a 2014 graduate of UNC with a major in Economics and minor in Entrepreneurship who has since received her MA from the Woodrow Wilson School of Public and International Affairs at

Princeton and is a research associate at JPMorgan Chase & Co. Both students shared how their economics training and background has been important to their future pursuits, one joining a start-up company and the other integrating economics and an entrepreneurship lens into employment with an existing firm. One of the takeaways from this session was an emphasis on the importance of internship opportunities for students in the e-minor, as well as economics majors. We discussed centralized coordination of such opportunities and saw a roll for the new Economics Advisory Board to play in acquiring information about internships from UNC graduates employed in firms/start-ups which could offer these opportunities.

#### **Our Production Function: The Inputs**

Drawing on a basic economic concept, Donna sought to share with the group some of the ways the Department is trying to grow the opportunities it provides (i.e., the inputs) in order to enhance our output: successful, well-trained graduates. We introduced MacKenzie Bogiages, a 2018 graduate, who took David Guilkey's undergraduate econometrics course and submitted the research she did as a paper in that course to the Undergraduate Economic Review, where it was accepted for publication. She also presented her work at the Undergraduate Research Symposium here on campus. We then heard from Rui Zuo '19 who is a recipient of the Guest Summer Research Fellowship. She was joined by her advisor Assistant Professor Simon Alder and discussed her work with social media companies to study balancing the demands of authoritarian governments and the needs of users. Two additional Guest Fellowship winners are Ariella Hirsch '19 and Lilly Winfree '19, working jointly with faculty advisor Associate Professor Jane Fruehwirth this summer. Lilly discussed the Restart Initiative in North Carolina schools and their attempt to evaluate the program based on measured student outcomes. These four students provide great examples of how the department is building exposure of undergraduates to research through expanded coursework, dissemination opportunities, honors theses, and funded summer research fellowships. We hope to continue to provide and broaden such opportunities.

#### **Our Production Function: The Output**

We wrapped up the "what's going on in the Economics Department" session by hearing from two undergraduates from the class of 2018, Lucas McCallen and Jin Xi, and two graduates from our Ph.D. program, Josh Horvath and Jennifer Rhee, who are all great examples of the output produced by the department. Of course, the department only provides a few of the necessary inputs; we recognize that individual effort, talent, ideas, and determination are also key inputs. Lucas, who received Highest Honors on his honors thesis research, is headed to Citibank to do work in asset pricing. Jin has enrolled in the Ph.D. program in Economics at the University of California at San Diego. Jin continues her research work with Associate Professor Neville Francis and Teaching Associate Professor Mike Aguilar that was inspired by her work as a previous Mayo Fellowship recipient. Josh Horvath conducted his dissertation research in the area of education economics (under the direction of Associate Professor Jane Fruehwirth) and is joining the Center for Naval Analysis this summer. Jennifer Rhee worked in the area of macroeconomics and finance (under the direction of Professor Anusha Chair) and will join the FDIC in Washington DC.

#### **Session summary**

We closed with a plenary discussion among alumni/ae, faculty and students reflecting on information gained and ideas moving forward. The Advisory Group reiterated its willingness to continue offering support in the form of contributions, time, and ideas, for which the Economics Department and the students it serves are most grateful. Kayce King and Matt Guest ended with developments regarding the new Economics Advisory Board, noting that all current members of the Advisory Group in

attendance (other than the two visitors) have agreed to join the board. The official start date of the board is July 1, 2018. The board responsibilities are outlined on a page in the folder provided at the meeting. Members were encouraged to contact Kayce or Matt if they have any additional questions.

The next meeting will be held on Friday, October 12, 2018, which is also University Day. We invite guests to attend the University Day festivities that morning and then participate in the board meeting that afternoon. It has also been suggested, as a way to get closer to more students, that we determine which Econ courses are being offered on Friday (or the day before), invite alumni/ae to attend one or two, and give them five minutes at the end of class to address the students and encourage them in their studies. Look for details once the semester gets underway.

The meeting adjourned at 12:30 pm.