

DEPARTMENT OF ECONOMICS FIVE YEAR STRATEGIC PLAN 2010 - 2015

Mission

The mission of the Department of Economics is to create new knowledge through research, to convey knowledge through undergraduate and graduate teaching, and to give students the ability to make their own contributions to knowledge through skills they learn in the classroom, through directed research, and through opportunities to work on research projects undertaken by faculty. By doing so we hope to give our students the tools they need to be successful in their personal lives and careers, and to be responsible citizens.

Vision

The Department of Economics hopes to become a department that is second to none in terms of educational value added. Everything we do in the department is aimed at making sure our students learn as much economics as possible. The Department of Economics also hopes to improve its national reputation by increasing the quality of its research.

Organization

The Department of Economics consists of 9.5 tenure track and 2 non-tenure track faculty members. Of the tenure track faculty, 6 are Full Professors, 2 are Associate Professors, and 2 are Assistant Professors. One of the Full Professors, who just left the department, occupies the F.A. Hayek Professorship. One of the non-tenure track faculty members is an Associate Teaching Professor, the other is a lecturer. The Department has one full-time Administrative Associate and no other staff.

The Department of Economics offers a Bachelor of Science, a Bachelor of Arts, a minor, and a Master's degree. It also provides for general and college level requirements for the School of Business, programs in public policy, gerontology, the Honors College and continuing education. It is the academic home of the *Center for Entrepreneurship and Economic Education* and all courses taught in geography. It operates the *Economics Resource Center*, which provides free tutoring to students in economics courses and oversees the instructional mission of the Student Open Computing Laboratory for Quantitative Analysis.

The Department of Economics normally rotates the chair position every three years. Additional administrative duties are divided among the Director of Graduate Studies and the Director of Undergraduate Studies.

Departmental Goals

In the next five years the Department of Economics will seek to effectuate its vision of maximizing education value added by striving to achieve three goals. These goals are:

1. Enhance Undergraduate Degrees
2. Improve the Economics Resource Center (ERC)
3. Increase Research Quality

Goal 1: Enhance Undergraduate Degrees

Overall, the quality of teaching in our department is very good. Survey results and informal feedback show that student satisfaction is very good. Success after graduation is very good as measured by students finding good jobs or getting into good Ph.D. programs. But there is considerable room for improvement. What we teach we teach well, but there is content that we should be teaching that we presently are not. Our first goal is, therefore, to address specific content deficiencies by developing new courses and hiring new faculty in the appropriate areas.

To adequately serve our students I believe we should increase our offering of courses in economic history. Currently we have only one course that emphasizes American economic history. I would like more frequent offering of courses and two separate courses (one covering the period from Neolithic peoples to 1700 and one from 1701 to the present). I would also like to make at least one course in economic history a requirement for the major. That is currently impractical because we don't have the manpower to offer any economic history course frequently enough. We also need a more frequent offering of history of thought (which is already required for the B.A. degree). This will require hiring someone qualified to teach history of thought. We also need to create courses in practical empirical economics, institutional economics, and experimental economics.

We currently do not have the staffing or expertise to enhance our undergraduate program as outlined above and the situation is likely to get worse as one of our strongest teachers will soon retire (Bob Sorensen). We currently have no one to teach history of thought even though it is required for the B.A. We also have no one to teach a new course in practical empirical methods and no one to teach experimental economics.

To address these shortcomings and to staff additional offerings in the form of two regularly offered economic history courses, a regularly offered new course in institutional economics, a regularly offered new course in practical empirical economics, and a regularly offered new course in experimental economics we need three new tenure track lines. Note that is assumes we recover the line from the Sorensen retirement.

Measurement

Not applicable.

Budgetary Requirement

The market salary for new assistant professors of economics is approximately \$90,000. Start-up for a new hire is \$5,000. This produces a one-time start-up cost of \$15,000 plus a rate dollar cost of: 3 @ \$90,000 X 28% (benefits) + \$1,000 annual research support = \$348,600.

Goal 2: Improve the Economic Resource Center

The Economics Resource Center (ERC) plays a very important role in maximizing what our students learn from their courses. Moreover, alumni attachment to the department is clearly related to our having an ERC. I also believe that the ERC can serve as a model of how a department can foster a stronger personal connection between students and UMSL while improving learning outcomes at the same time.

But there are two problems. First, although the ERC is a big success it is operating far below its potential because it is understaffed. To fully staff it we need an additional 3 workers working 20 hours per week. Second, the ERC is simply too small. Students frequently leave immediately for lack of a place to sit or because it is too loud. It is also understaffed. Together these problems cost us and the college majors (most of our majors come to us from the College of Business).

We need more and better space. The space across from our department office would be ideal. It currently houses the International Business Program. When the Business School moves to its permanent location, it is our hope that we will be assigned this space. We ask the dean for his support in this (we have already expressed this desire to the Provost). We realize that this might take too much time and that we might have to settle for another area if we are to grow.

Whatever space we ultimately acquire, we have learned that the standard classroom layout is not very effective. We therefore anticipate needing to undertake remodeling. We would like to undertake an external fund raising effort with an UMSL match now rather than wait for the space to open up (obviously, having raised the funds could produce pressure to free-up space). Having a match is crucial for successful fund raising.

Measurement

The number of student contact hours can be collected to determine if higher levels of staffing and an improved space increases use.

Budgetary Requirements

To fully staff the ERC in its present location we need an additional three workers working 20 hours per week. The total annual cost to fully staff the ERC therefore comes to:

3 @ 20 hours per week @ \$7.50/hour X 30 weeks X 7.5% (benefits) = \$14,512.50

We estimate that it will cost approximately \$30,000 to remodel a standard classroom space or the International Business program office suite so as to serve as an effective tutoring and computer lab. A contribution by the CAS as a match on external fundraising would therefore be a one time cost of \$15,000.

Goal 3: Increase Research Output Quality

With the exception of two who are near retirement, economics department members are actively engaged in research. There is a communal expectation of significant research accomplishment. Most of our department members are well regarded in their fields. Measured against other economics departments – even those with world-class doctoral programs – our department is very productive.

But while the volume is very good, the quality is merely good. This is likely due to the effect of an overly mechanical reward system for research accomplishments. To induce faculty to be willing to take greater risks with their research by working on more substantive and larger questions, I have altered our compensation policy. To avoid further sclerosis due to lack of intellectual engagement I think it is important to reinstitute support for faculty travel to professional meetings.

Measurement

The obvious measure of success is increased output at higher ranked journals and books by highly ranked academic presses.

Budgetary Requirement

CAS funding of travel by only \$1,000 per department member per year could significantly improve matters. This comes to \$10,000 per year to fund all 10 tenured/tenure track department members.