MEMORANDUM

To: Provost Ronald Henry
    Associate Provost Mary Finn

From: Department of Economics, Academic Program Review Committee

Date: June 30, 2009

Subject: Economics Department APR External Reviewers’ Report

The purpose of this memo is to provide context for the external reviewers’ report for those in the University community who review the Economics Department’s Academic Program Review materials. We request that this memo be included in the documentation of the Department’s APR.

The Department benefited from meetings with the reviewers and appreciates the support of the University in the overall APR process. We are pleased to hear the reviewers acknowledge the Department’s success in the pursuit of our overall mission. In the second paragraph of their report, they state that “….the Department is probably one of the most improved nationwide over this time period.”

Upon reading the full report, however, we were surprised to find that the reviewers suggest that the center-department structure of the Andrew Young School (AYS) might not be conducive to the Department’s continued improvement, at least in terms of departmental rankings as measured by conventional metrics continuing upward trajectory. With respect to center activities, the reviewers note that “Given the Department’s location in a policy school, the extent of these center-driven activities is natural. But the activities may impede, to some degree, the Department’s pursuit of a higher standing in the economics profession at the same time that they generate the financial resources that allow such a pursuit to be undertaken.”

We have several responses to the statements of the external reviewers that we believe will put their review in proper context.

First, our goal as a Department has always been to conduct top-notch academic work that informs policy. Most economics departments have only the first goal; many policy schools have only the second goal. It is our belief that, by taking the research published
in top economic journals and using it to inform policy (including publishing this work in top policy journals), we advance most clearly and directly the mission of the AYS. The role of the centers here is an obvious one. It is largely through the research centers that the policy outreach mission of the AYS has been achieved. This does not mean that we are uninterested in rankings of departments based on traditional metrics. Indeed, we have had much success in this area, as the external reviewers themselves acknowledge. It does mean that we believe our strategy of combining academic research with policy research, and doing so largely through the centers, has been remarkably successful, both in achieving higher "traditional" department rankings (as documented at length in our self-study) and in moving the AYS into the very top echelon of policy schools. To abandon this strategy - and to do so without any real suggestions from the external reviewers of an alternative strategy - seems fundamentally misguided.

Second, the review team may have misinterpreted some of the Department’s statements in the self-study related to the department-center model. The self-study report listed as a goal the need to clarify relationships between research centers and the department, and, based on the reviewers’ expertise, we thought that the external reviewers might offer some practical suggestions and recommendations for us regarding clarifications in this area. For our part, we are well aware of the constant and evolving need to better articulate the nature of the department-center model, especially in terms of faculty expectations, we have taken recent steps to clarify these expectations, and we will continue to explore ways to make the model work better. (The reviewers did suggest that the Department fund course releases and provide faculty compensation for center-related work and that centers hire more research associates. Unfortunately, given the budget situation, and given also that the main source of Department funding for course releases and faculty compensation is in fact provided by the centers, this is not a practical suggestion in the short and medium term.)

Third, the review team may have heard from individual faculty concerns regarding a lack of clarity about the role of faculty in centers and taken that to mean that faculty opposed the center-department model and that the faculty was overburdened with center involvement. As noted in the point above, we have recognized the need to clarify the relationship. However, this does not imply either faculty opposition to the model or a sense that faculty are overburdened. In fact, most of the work on contract work that the centers obtain is done by research associates; faculty involvement is largely restricted to activities that should and do lead to academic publications. The School and Department focus on policy does mean that the faculty are expected to be engaged in policy work, including advising policy makers, but this work typically leads to published research.

More broadly, it is essential to recognize that the Economics Department of the Andrew Young School of Policy Studies has adopted a unique strategy of combining active outreach and policy engagement with strong academic research and excellent teaching and service. The strategy integrates research centers in selected applied fields into the department. These research centers have been enormously successful in securing external funding and raising the profile of our school among policymakers. These funds and enhanced profile have brought substantial recognition to the school as well as helped
the department support a strong graduate program. The department-center model has also helped us form collaborations and synergies that would otherwise be lost due to the intensity in which we can employ resources.

In addition to bringing in substantial external funds and recognition in the policy arena, the department-centers model has contributed significantly to the Department’s success in scholarly research as evidenced by the rankings reported in the self-study. For example, in the self-study, we reported published rankings of economics departments in the U.S. That analysis was based on data through 2004. Since that time, we have added two new senior professors (James Cox and Barry Hirsch) whose strong research records add significantly to the department total number of high quality publications. The department-centers model also has contributed to our teaching mission by bringing the policy world into the classroom. Furthermore, the engagement of graduate students in the activities of the centers has helped the department improve the placement of our graduate students.

In short, the department-center model has been a strong component of the success of the Department and the School. The research centers have substantially augmented departmental resources. These additional funds have helped us to expand the size of our graduate program, to provide additional research and travel funds for faculty, to host a series of high quality conferences and workshops that have lead to important publications, and to investigate interesting “real world” questions.

We appreciate the work of the external review team and acknowledge their finding that there is need for additional course releases to continue to improve the quality of the Department. We believe and expect that the centers will continue to play a crucial role in the future success of our Department and that the Department and School will continue to define the nature of the center-department relationship to achieve even greater success in the future.

Cc:
President Mark Becker
Dean W. Bartley Hildreth
Associate Dean Robert Moore
Prof. Susan Laury
Prof. Mary Beth Walker