

# Department of Economics Annual Report

## Calendar Year 2008

### PART I – EXECUTIVE SUMMARY

#### Department Head Summary

While we continued to make strong contributions to all three missions of the University, we remain much too small to achieve the level of excellence that we desire and should be expected of us at a major land-grant research university. Economics has become a very popular major, with about 86 students graduating each year with graduates from the College of Science (56) and College of Business (30). We struggle to provide enough electives to our undergraduates and are no longer able to offer them adequate choices in elective topics. Moreover, we can only offer a limited choice of field courses to our Ph.D. students. Our small size has resulted from the loss of key faculty over the past few years without adequate replacements. It remains critical to restore and develop a healthy Economics Department. The department aspires to regain its national visibility and reach a productivity level that will strongly support a comprehensive university such as Virginia Tech. We are encouraged with our recruiting success in recent years, which constitutes an important first step in enabling the department to regain its strength. The most critical priority for the coming years: **Recruitment of new faculty members to enhance our potential in teaching, scholarship, and leadership. It becomes increasingly imperative to halt and reverse the erosion of senior faculty ranks.**

**Research/Scholarship.** Many of the 2008 scholarly publications are again in excellent journals. We have a fair number of manuscripts submitted for review and a sizeable number of working papers. So despite our small size and substantial teaching commitments, the faculty are working hard and being professionally productive. Drs. Gilles, Ge, Haller, Salehi, and Yang all have international interest and involvement. Network related research has been a particular focus. Within that focus, Drs. Gilles and Ball continued to have collaborative research projects within the College of Engineering. Two network related NSF IGERT pre-proposals had participants from our department, Drs. Ball, Gilles, and Haller, but did not **take** the internal hurdle. Dr. Haller was also a team member of a pre-proposal for an NSF STC: Integrated Center for Complex Network Systems – which was not selected by Virginia Tech.

**Graduate and Undergraduate Education.** The one Ph.D. completed in 2007 was clearly disappointing. We had three Ph.D.s completed in 2008 and expect at least as many in 2009. Again because of our small size, we are limited in the number of faculty mentors for our graduate students. Adding new Assistant Professors will not alleviate this problem any time soon.

As to be expected, the decrease in faculty members is also limiting our undergraduate teaching effort. The number of elective classes offered is barely sufficient to allow students to graduate and we are no longer able to teach major subject areas in economics in enough depth to produce a high quality

undergraduate learning experience. We used to offer specializations within the major so, for example, a student interested in international trade could take a collection of courses in that area. Unfortunately, we no longer have sufficient faculty resources to serve student interests – instead we make choices with the objective of creating enough seats in electives so that seniors planning to graduate on that semester can graduate on time. This year we were able to restore enrollment numbers in these courses by offering extremely large classes, this will not always be possible and does not compensate for limited topic choices. Despite the predominant concern of staffing classes, we keep improving the quality of instruction, developing new courses, and adopting new technology. Younger instructors increasingly use PowerPoint, Blackboard, electronic homework assignments and other means. Dr. Salehi has worked on using the clicker device in large Principles classes, as did Dr. Trost. Dr. Ball continued research on the WITS system and is expanding testing in 3000 and 4000 level courses.

**Outreach.** Dr. Salehi’s work with the Middle East Youth Initiative combines elements of research, outreach and policy advice. That initiative aims to address the fact that the countries of the Middle East share high unemployment rates among their youth and extremely long waiting times for permanent jobs, despite huge differences in economic prosperity. Further, while the gender gap in education has narrowed drastically in many countries, the gender gap in employment and wages has not been significantly reduced.

**Facilities Changes.** During 2008 we made the decision to move the Laboratory for the Study of Human Thought and Action (LSHTA) from an off campus location into Derring Hall. This move will save the department money in the long run. By the end of 2008 the renovations to the new space had been completed and an end date to the lease in the Frankfurter Building was set for February 2009.

## **FACULTY**

### **1. Full-Time Faculty for Calendar Year 2008**

<b>Professors:</b>	Richard Ashley, Robert Gilles (On Leave Spring 2008), Hans Haller, Amoz Kats, Djavad Salehi-Isfahani (On Leave Spring 2008), Aris Spanos, Nicolaus Tideman, Dennis Yang (On Leave AY 2008).
<b>Associate Professors:</b>	Sheryl Ball, Richard Cothren.
<b>Assistant Professors:</b>	Suqin Ge, Joao Macieira, Steve Trost, Kwok Ping Tsang (Fall 2008), Zhou Yang
<b>Instructors:</b>	<u>Spring 2008:</u> Prasun Bhattacharjee, Andre Crawford, Gebremeskel Gebremariam, Ravishekhar Radhakrishnan, Dimitris Katsoridas, David Zirkle

Summer 2008: Prasun Bhattacharjee, Gebremeskel Gebremariam, Zhengzheng Pan, Ravishekhar Radhakrishnan, Atanu Rakshit, Zhiyuan Zheng

Fall 2008: Earl Davis, Gebremeskel Gebremariam, Dongryul Lee, Ravishekhar Radhakrishnan, Jongwon Shin, Golnaz Taghvatalab, Eftila Tanellari

**Visiting Professors:** Steve Scroggin (Fall 2008)

## **2. Full-Time Faculty on Leave in 2008**

Robert Gilles was on study leave during Spring 2008.

Djavad Salehi-Isfahani was on study leave during Spring 2008.

Dennis Yang was on study leave during Spring and on unpaid leave during Fall 2008.

# **PART 2: ACADEMIC ACCOMPLISHMENTS**

## **I. LEARNING**

### **UNDERGRADUATE PROGRAM**

The major challenge in the undergraduate program was again finding ways to meet the demand for seats in our Principles of Economics (Econ 2005-2006) sequence. Once again, we resorted to an *ad hoc* method to meet the demand, using 5<sup>th</sup> year doctoral students as instructors along with visiting professors (Earl Davis, Steven Trost and Steven Scroggin) and a full time instructor (Gebremeskel Gebremariam). Professor Richard Cothren continued to be the faculty presence in the sequence; he taught two very large sections, one as an emergency substitute.

These efforts are not a permanent solution to the staffing problem. In particular, we would like to rely less on our advanced graduate students. While the students appreciate the greater financial support that comes with a lecturer position and teaching experience is a marketable attribute, extensive teaching slows their progress to degree. Another difficulty is that we are not able to ask students teaching one course one semester to invest in teaching improvements like using clickers. Learning the basics of teaching their first course independently and managing 150 students while continuing their own research is a significant amount of work and often the human capital they develop in using, clickers, for example, would not transfer to their post degree jobs.

The addition of Joao Macieira and Zhou Yang the previous year and of Kwok Ping Tsang last fall has been helpful with our undergraduate elective options but has not alleviated the issues of staffing our

Principles courses. Several of our GTAs who have shouldered considerable teaching loads will no longer be available. We anticipated a potentially severe staffing crisis in Fall 2009. But we found a way to renew the term contracts of Steven Trost and Gebremeskel Gebremariam and postpone the crisis for one year. However, a more permanent solution (funding) is warranted.

Department faculty made again extensive revisions to existing course offerings last year. Electronic teaching aids are increasingly incorporated. Steve Trost's participation in faculty development workshops deserves special mention. Only one student was involved in formal undergraduate research this year, a decrease of 90% from last year. In part this is a result of strains being put on the faculty to create seats in courses.

Another major concern related to our undergraduate project caused by the staffing problem is our inability to staff the position of Director of Undergraduate Studies. While Chris LaPlante does an excellent job of advising, our best efforts to develop and implement assessment tool to measure student learning outcomes and then use these results to design and implement curricular reform requires faculty time and effort. Without consistent leadership in this area, as well as additional faculty interest and effort, we are concerned that our program will not be able to keep up with the changes in undergraduate education required by the University as well as our stakeholders.

An itemized list of accomplishments follows, including information on undergraduate program enrollments.

## **1. Curriculum Development**

### **Sheryl Ball**

- Econ 3004 (Antitrust and Regulation) is a policy-oriented course with a strong theory background. Since it is a special topics course Dr. Ball modified it heavily compared to the last time it was taught (several years ago.) The major innovation in this course was how Dr. Ball managed to get fifteen pages of writing out of 55 students and survive the grading burden. The strategy was to post topics eight times during the semester and ask students to write three 5-page papers on any three topics they chose. Some students chose to do all of their papers early in the semester while others waited until the last minute. Because there were not 55 papers on any one topic it was easier to keep up with grading the papers in a reasonable amount of time.
- Econ 3104 (Microeconomic Theory) is a standard course taught in every undergraduate economics program. It generally has the lowest success rate of any course in our major. Dr. Ball attempted to add a number of active learning strategies to the course with varying degrees of success.

### **Richard Cothren**

- Developed new course in the fall semester of 2008. This course was offered as Econ 4984: Special Study. It is an overview of the theory of monetary policy and U.S. policy history over the 20<sup>th</sup> to the present.

### **Nicolaus Tideman**

- Resurrected a course on the Economics of Poverty in preparation for the Spring 2009 semester, that had not been taught in about 7 years.

### **Steve Trost**

- Between Spring 2008 and Fall 2008, made a variety of changes to Principles of Economics (ECON 2005) course. Most notable among these changes were the adoption of a different textbook and the addition of the use of iClickers to the course. Also expanded the use of online resources during lectures. I believe the changes had a significant positive impact on the course (this belief is supported by a noticeable rise in my SPOT evaluations).

## **2. Undergraduate Research**

- Only one student participated in undergraduate research, a significant departure from our past performance.

## **3. Technology**

### **Sheryl Ball**

- Professor Ball continued her work on the WITS project. This year's efforts included a controlled test of the WITS system in ECON 3104 during fall 2008. Students completed the same assignments and exams in the two courses and both class learned about research experiments in economics. The difference is that the control class heard about the experiments and saw graphs of data collected using students in previous courses, while those in the experimental class participated in the experiments and saw graphs of data based on their participation. A number of assessment measures were used, including exam scores, teaching evaluations, student feedback, rubric evaluations, etc. Most demonstrate better results from the experimental group.

### **Steve Trost**

- Used the iclicker technology as a prominent way of having students participate in large, 500-student courses.
- Implemented expanded use of of online resources during lectures.
- Shared knowledge of iclicker technology with graduate student instructors to help them in their own teaching.

#### 4. Student Enrollment

Tables 1 and 2 present information on class enrollments for the past six years. Table 1 shows weighted student credit hours (WSCH) calendar years 2003 – 2008 which include Spring, Summer, and Fall semesters. Table 2 shows condensed information on student headcounts for calendar years 2003 - 2008, which include Spring, Summer, and Fall semesters.

Table 1. Weighted Student Credit Hours: Calendar Year Totals

	2003 <sup>1</sup>	2004 <sup>2</sup>	2005 <sup>3</sup>	2006 <sup>4</sup>	2007 <sup>5</sup>	2008 <sup>6</sup>
<b>Total</b>	25,978	23,276	21,586	21,432	24,411	26,315

Table 2. Calendar Year Enrollments

	2003 <sup>7</sup>	2004 <sup>8</sup>	2005 <sup>9</sup>	2006 <sup>10</sup>	2007 <sup>11</sup>	2008 <sup>12</sup>
Principles (# sections)	4,617 (29)	4,405 (28)	3,905 (27)	3928 (30)	4,757 (29)	4,717 (31)
3000 - level (# sections)	929 (26)	753 (27)	582 (19)	640 (22)	673 (20)	853 (22)
4000 - level (# sections)	825 (23)	474 (20)	521 (27)	364 (15)	794 (18)	467 (14)
Graduate (# sections)	311 (45)	238 (38)	279 (24)	258 (25)	255 (23)	289 (24)

<sup>1</sup> *Ibid.*, Spring 2003 + Summer I and Summer II 2003 + Fall 2003. Student Credit Hours and Weighted Student Credit Hours by College and Department Receiving Credit, prepared by the Department of Institutional Research and Planning Analysis. Report may be viewed at the following URL:  
[https://secure.hosting.vt.edu/www.irpa.vt.edu/VT\\_Stats/IR%20Customers%202/Credit%20Hours,%20Class%20Sections%20and%20Grades/Credit%20Hours/Credit\\_HR\\_SCH/current/SCH%20and%20WSCH%20by%20DRC%20SCI.htm](https://secure.hosting.vt.edu/www.irpa.vt.edu/VT_Stats/IR%20Customers%202/Credit%20Hours,%20Class%20Sections%20and%20Grades/Credit%20Hours/Credit_HR_SCH/current/SCH%20and%20WSCH%20by%20DRC%20SCI.htm).

<sup>2</sup> *Ibid.*, Spring 2004 + Summer I and Summer II 2004 + Fall 2004.

<sup>3</sup> *Ibid.*, Spring 2005 + Summer I and Summer II 2005 + Fall 2005.

<sup>4</sup> *Ibid.*, Spring 2006 + Summer I and Summer II 2006 + Fall 2006.

<sup>5</sup> Spring 2007 + Summer I & Summer II 2007 + Fall 2007 Dept. Receiving Credit Teaching Load Report

<sup>6</sup> Spring 2008 + Summer I & Summer II 2008 + Fall 2008 Dept. Receiving Credit Teaching Load Report

<sup>7</sup> *Ibid.*, Spring 2003 + Summer I and Summer II 2003 + Fall 2003.

<sup>8</sup> *Ibid.*, Spring 2004 + Summer I and Summer II 2004 + Fall 2004.

<sup>9</sup> *Ibid.*, Spring 2005 + Summer I and Summer II 2005 + Fall 2005.

<sup>10</sup> *Ibid.*, Spring 2006 + Summer I and Summer II 2006 + Fall 2006.

<sup>11</sup> Spring 2007 + Summer I & Summer II 2007 + Fall 2007 Dept. Receiving Credit Teaching Load Report

<sup>12</sup> Spring 2008 + Summer I & Summer II 2008 + Fall 2008 Dept. Receiving Credit Teaching Load Report

## **GRADUATE PROGRAM**

In the Spring 2008, the department had a total of twenty-five graduate students enrolled in the Ph.D. program, twenty-three with assistantships and two without. The class breakdown was seven first-year students, eight second-year students, four third-year students, and six in their fourth or later years.

In Fall 2008, the department had a total of twenty-four graduate students enrolled in the Ph.D. program, twenty-two with assistantships and two without. The class breakdown was seven first-year students, six second-year students, five third-year students, and six students in their fourth or later years.

In addition to these students, who were all enrolled through the Department of Economics, the Department of Agricultural and Applied Economics (AAEC) had approximately nineteen students enrolled in the Ph.D. program.

### **1. Graduate Enrollment**

Recent course enrollments are reported in Section II with the undergraduate data.

### **2. Graduate Degrees Awarded**

The department had one Doctoral Degree awarded in Spring 2008 to Andre Crawford and two Doctoral Degrees awarded in Fall 2008 to Jaideep Chowdhury and Reza Kheirandish. Additionally, the department awarded 5 Masters Degrees in 2008.

### **3. Curriculum Changes and Program Development**

#### **Richard Cothren**

- Revised Econ 5015 lectures, reflecting the fact that the graduate sequence in macroeconomics is now shared with Professor Tsang.

#### **Suqin Ge**

- Econ 6104 (Labor Economics) Revised the course by incorporating some of my latest research in teaching. Students show great interest in observing how research ideas are formulated and carried out. In the last couple of weeks of the course, we allocated time for students to give presentations. The feedback from students was quite positive. This practice helped them improve presentation skills and learn to read articles with more critical views.

#### **Amoz Kats**

- Econ 5124 is continuing to attract more students from other departments. Currently this course is drawing 3-4 Accounting and 5-6 Industrial Engineering students each year.

### **Joao Macieira**

- Revised Econ 6404 replacing Single-Agent Dynamic Models with Auction Theory and Estimation. The course now covers Oligopoly and Collusion Models, Differentiated Demand Estimation, Production Function Estimation, Competition and Price Dispersion, Advertising and Auction Theory and Estimation. Evaluation covered not only regular assignments but also in-class presentations. This aims to give students experience on seminar-like presentations.

### **Aris Spanos**

- Econ 5125: To help the students assimilate the material more effectively I wrote “the story so far” notes [summarizing the main points as the material was unfolding] that seem to help the students.
- Continued to work on developing a course that has previously been taught as as Special Study, the course which has now been approved is Econ 6614 Philosophical Foundations of Econometrics

### **Joe Yang**

- Developed a new Ph.D course: Advanced Methods in Applied Microeconomics (Econ 6604), and it has been approved. The goal of this course is to teach students how to do research in Applied Microeconomics, with a particular focus on Industrial Organization. Students are required to read papers before attending lectures. In lectures, the professor reviews the important literatures, talks about where the literature comes and where it goes, and helps students: 1) build the necessary empirical technique needed to do original research; 2) develop potential research topics. Students are expected to develop a research topic and proposal by the end of the course. This course is expected to make Ph.D students’ transit more smoothly from course work to dissertation.

## **4. Graduate Student Job Placement**

Of the three doctoral students that earned a Ph.D. during 2008, Reza Kheirandish continued to work at Clayton State University in Morrow, GA where he was hired during 2006, Andre Crawford took a position with Ernst & Young in Detroit, MI and Jaideep Chowdhury is continuing at Virginia Tech to pursue a second doctorate in Finance. Additionally, one of our enrolled Graduate Students continued a temporary visiting position at William and Mary University in Williamsburg, VA that began in 2007 and a second enrolled Graduate Student began a temporary visiting position at East Tennessee State University in Kingsport, TN.

## II. DISCOVERY

This year, department faculty published eleven articles in peer-reviewed journals. Fourteen articles were accepted for future publication in peer-reviewed journals. One faculty member had a book published in 2008. A total of four faculty members submitted and/or published work for collective volumes.

Three members of the faculty won new external grants while continuing work on previous grants. Faculty gave 51 presentations at conferences and invited seminar talks at other institutions.

### FACULTY PUBLICATIONS

#### 1. Papers Published in Peer-Reviewed Journals during the 2008 Calendar Year

**Ashley, R.**, (2008), Growth May Be Good for the Poor, But Decline Is Disastrous: on the Non-Robustness of the Dollar-Kraay Result. *International Review of Economics and Finance*, 17, 333-338. url: [http://ashleymac.econ.vt.edu/working\\_papers/growthgood.pdf](http://ashleymac.econ.vt.edu/working_papers/growthgood.pdf).

Durieu, J., **Haller, H.**, Querou, N., Solal, P., (2008), "Ordinal Games", *International Game Theory Review*, 10, 177-194.

**D. Salehi-Isfahani**, Growing up in Iran: Challenging times for the Revolution's Children, *The Brown Journal of World Affairs*, 15(1), 63-74, Fall/Winter 2008 (invited contribution).

**Spanos, A.**, "Linear vs. Log-Linear Unit-Root Specification: An Application of Mis-Specification Encompassing," [with D. F. Hendry and J. J. Reade], *Oxford Bulletin of Economics and Statistics*, 70, pp. 829-847 (2008).

**Spanos, A.**, "Stephen Ziliak and Deirdre McCloskey's *The cult of statistical significance: how the standard error costs us jobs, justice, and lives*," *Erasmus Journal for Philosophy and Economics*, 1, pp. 154-164. (2008)

**Spanos, A.**, "Risks to Health and Risks to Science: the Need for a Responsible "Bioevidential" Scrutiny," [with D. G. Mayo], *Human & Experimental Toxicology*, 27, pp. 794-799.

**Spanos, A.**, "Revisiting Structural Change: A Misspecification Perspective", (with A. Koutris and M. Heracleous), pp. 4081-4088, *Proceedings of the American Statistical Association*.

**Spanos, A.**, "Testing for Non-Stationarity using Maximum Entropy Resampling: a Misspecification Testing Perspective," (with A. Koutris and M. Heracleous), *Econometric Reviews*, Volume 27, pp. 363-384. (2008).

de Clippel, G., Moulin, H. and **Tideman, N.**, (2008), Impartial division of a dollar. *Journal of Economic Theory*, 139, 176-191.

Plassmann, F., and **Tideman, T.N.**, (2008), Accurate valuation in the absence of markets. *Public Finance Review*, 36, 334-58.

**Tideman, T.N.**, and Plassmann, F., (2008), Paying the partners. *Public Choice*, 136, 19-37.

## 2. Papers Accepted at Peer-Reviewed Journals during the 2008 Calendar Year

**Ashley, R.**, and R. Verbrugge, (2009), To Difference or Not to Difference: A Monte Carlo Investigation of Inference in Vector Autoregression Models. *International Journal of Data Analysis Techniques and Strategies*, 1(3), 242-274.

url: [http://ashleymac.econ.vt.edu/working\\_papers/varsim.pdf](http://ashleymac.econ.vt.edu/working_papers/varsim.pdf).

**Ashley, R.**, (2009), Assessing the Credibility of Instrumental Variables Inference with Imperfect Instruments via Sensitivity Analysis. *Journal of Applied Econometrics*, 24,325-337.

url: [http://ashleymac.econ.vt.edu/working\\_papers/E2003\\_8.pdf](http://ashleymac.econ.vt.edu/working_papers/E2003_8.pdf).

**Ashley, R.**, and R. Verbrugge, (2009), Frequency Dependence in Regression Model Coefficients: An Alternative Approach for Modeling Nonlinear Dynamic Relationships.

*Econometric Review*, 28, 4-20. url: [http://ashleymac.econ.vt.edu/working\\_papers/freq\\_depend.pdf](http://ashleymac.econ.vt.edu/working_papers/freq_depend.pdf).

Rusticelli, E., **R. Ashley**, E. B. Dagum, and D.M. Patterson, (2009), A New Bispectral Test for Nonlinear Serial Dependence. *Econometric Reviews*, 28, 279-293.

url: [http://ashleymac.econ.vt.edu/working\\_papers/maximal\\_bispectral\\_9\\_05.pdf](http://ashleymac.econ.vt.edu/working_papers/maximal_bispectral_9_05.pdf).

**Gebremariam, Gebremeskel H.**, Tesfa G. Gebremedhin, and Peter V. Schaeffer, (accepted/forthcoming), "Modeling Employment, Income, and Migration in Appalachia," A Spatial Simultaneous Equations Approach," *Journal of Regional Science*.

**Gebremariam, Gebremeskel H.**, Tesfa G. Gebremedhin, and Peter V. Schaeffer, (accepted/forthcoming), "An Empirical Analysis of County-Level Determinants of Small Business Growth and Poverty in Appalachia: A Spatial Simultaneous-Equations Approach," *Empirical Economics*.

Gersbach, H., **Haller, H.**, "The Affectionate Society: Does Competition for Partners Promote Friendliness?," forthcoming in *Economic Theory*.

**Salehi-Isfahani, D.**, "Poverty, Inequality, and Populist Politics in Iran," *Journal of Economic Inequality*, March 2009, 7(1): 5-24.

**Spanos, A.**, “Revisiting Error-Autocorrelation Correction: Common Factor Restrictions and Granger Non-Causality,” [with A. McGuirk], *Oxford Bulletin of Economics and Statistics*, 71, pp. 273-294 (2009).

**Spanos, A.**, ““The Pre-Eminence of Theory vs. the European CVAR Perspective in Macroeconometric Modeling”, forthcoming in *Economics: The Open-Access, Open-Assessment E-Journal*, 2009. Special issue on “Using Econometrics for Assessing Economic Models”

**Spanos, A.**, “Akaike-type Information Criteria and the Reliability of Inference: Statistical Model Specification vs. Model Selection,” forthcoming *Journal of Econometrics*, 2009.

**Spanos, A.**, “*Error in Economics: Towards a more Evidence-Based Methodology*, by Julian Reiss,” forthcoming *Economics and Philosophy*, 2009.

Lundberg, Shelly J., Romich, Jennifer and **Tsang, Kwok Ping** (2009): “Decision making by Children,” *Review of the Economics of Households*, Volume 7, No. 1, p. 1-30 (Lead article)

Lundberg, Shelly J., Romich, Jennifer and **Tsang, Kwok Ping**: “Independence Giving or Autonomy Taking? Childhood Predictors of Decision-Making Patterns Between Young Adolescents and Parents,” forthcoming at the *Journal of Research on Adolescence*.

### 3. Books

**Spanos, A.** *Error and Inference: Recent Exchanges on Experimental Reasoning, Reliability, and the Objectivity and Rationality of Science* (approx. 430 pages) [with D. G. Mayo], Cambridge University Press, Cambridge.

### 4. Book Chapters and Other Scholarly Outlets. Published or Accepted for Publication During the 2008 Calendar Year

**Ball, Sheryl B.**, (2008). “Entitlements in Laboratory Experiments” in *The New Palgrave Dictionary of Economics*, 2nd Edition, Steven N. Durlauf and Lawrence E. Blume, editors, Palgrave Macmillan.

**Ball, Sheryl B.**, (2008). “Status and Economics” in *The New Palgrave Dictionary of Economics*, 2nd Edition, Steven N. Durlauf and Lawrence E. Blume, editors, Palgrave Macmillan.

Böhm, V., and **Haller, H.**, (2008), “Demand Theory”, in L. Blume and S. Durlauf (eds), *The New Palgrave*, 2nd edition.

**Haller, H.**, “Substitution and Income Effects”, to appear in M. Blaug and P.J. Lloyd (eds.), *Famous Figures and Diagrams in Economics*, Edward Elgar Publishing, Cheltenham. (solicited contribution)

**D. Salehi-Isfahani**, “Wealth and Poverty” in M. Kamrava and M. Dorraj *Iran Today: An Encyclopedia of life in the Islamic Republic*, Westport, Connecticut and London: Greenwood Press, 2008. 2 pages.

**Salehi-Isfahani, D.**, “Oil wealth and economic growth in Iran,” in Ali Gheisari (ed.) *Contemporary Iran: Economy, Society, Politics* Oxford University Press, 2009 (lead article).

**Salehi-Isfahani, D.**, [Youth Exclusion in Iran: The State of Education, Employment and Family Formation](#), with Daniel Egel, forthcoming in N. Dhillon and T. Yousef, *Youth Exclusion in the Middle East*, Brookings Press.

**Spanos, A.**, "Statistics and Economics," pp. 1057-1097 in *The New Palgrave Dictionary of Economics*. Second Edition. Eds. Steven N. Durlauf and Lawrence E. Blume. Palgrave Macmillan, 2008. [Online](#). Palgrave Macmillan: <[http://www.dictionaryofeconomics.com/article?id=pde2008\\_S000502](http://www.dictionaryofeconomics.com/article?id=pde2008_S000502)>doi:10.1057/9780230226203.1613

**Spanos, A.**, “Philosophy of Econometrics,” (60 pages) *Philosophy of Economics* in the *Handbook of Philosophy of Science*, Elsevier (editors) D. Gabbay, P. Thagard, and J. Woods, forthcoming 2009.

**Spanos, A.**, “Error Statistics,” (50 pages) [with D. G. Mayo] in *Philosophy of Statistics* within the *Handbook of Philosophy of Science*, Elsevier (editors) [D. Gabbay](#), [P. Thagard](#), and [J. Woods](#), forthcoming 2009.

**Spanos, A.**, “Theory Testing in Economics and the Error Statistical Perspective”, (43 pages) forthcoming in *Error and Inference*, edited by D. G. Mayo and A. Spanos, Cambridge University Press, Cambridge, forthcoming 2009.

## PRESENTATIONS/INVITED TALKS

### Sheryl Ball

- “Enhancement of Classroom Instruction Using Personal Response Systems” presented at National Science Foundation CCLI conference, August 13-15, Arlington, Virginia.
- “Experiments Improve Learning in Large Classes – Using Our Wits” presented at National Science Foundation CCLI conference, August 13-15, Arlington, Virginia.
- “Experiments Improve Learning in Large Classes – Using Our Wits” presented at Gulf Cost Economics Association, November 6-7, San Antonio, Texas.

### Suqin Ge

- University of Virginia, Department of Economics (March 20, 2008), Charlottesville, Virginia. Paper title “Accounting for the Gender Gap in College Attainment.”
- Xiamen University, WISE (May 16, 2008), Xiamen, China. Paper title “Accounting for the Gender Gap in College Attainment.”
- Fudan University, School of Economics (July 3, 2008), Shanghai, China. Paper title “Accounting for Rising Wages in China.”
- Upjohn Institute of Employment Research (July 22, 2008), Kalamazoo, Michigan. Paper title “Accounting for the Gender Gap in College Attainment.”
- Virginia Tech, INFORMS (Sep. 24, 2008), Blacksburg, Virginia. Paper title “Accounting for the Gender Gap in College Attainment.”
- American Economic Association Annual Meeting (Jan. 4-6, 2008), New Orleans, Louisiana.
- Southern Economic Association Annual Meeting (Nov. 20-23, 2008), Washington DC.

### Gebremeskel Gebremariam

- Gave a lecture on “Helping Eritrean Teenagers Choose the Right Careers” at the First Eritrean Orthodox Church (North America) Teenagers Pilot Project Conference in Radford, VA, June 29-29, 2008.
- “Modeling and Estimation Issues in Spatial Simultaneous Equations Models: The Case of Small Area Growth Models,” 47<sup>th</sup> Southern Regional Science Association (SRSA) Meeting, March 27-30, 2008, Washington, DC.

### Hans Haller

- **University Karlsruhe:** "Reasonable Royalty and the Division of Profit for Probabilistic Patents"
- **University Heidelberg:** “Club Theory and Household Formation”
- **James Madison University:** “Pairwise Interaction on Random Graphs”
- **VT, Condensed Matter Physics Seminar:** “Pairwise Interaction on Random Graphs”
- **Tournaments, Contests and Relative Performance Evaluation, NC State:** “Protection at Stake”
- **Italian Law and Economics Workshop:** "Reasonable Royalty and the Division of Profit for Probabilistic Patents"
- **Midwest Economic Theory (Fall), Ohio State:** “Club Theory and Household Formation”

## **Joao Macieira**

- Virginia Tech, INFORMS Seminar, November 2008: “A Dynamic Model of Innovation and Technological Competition in the Supercomputer Industry”

## **Djavad Salehi-Isfahani**

- Congressional Staff Briefing, Security for a New Century, cosponsored by Senators Richard Lugar (R-IN) and Ben Nelson (D-NE), “Iran's Economy: Short Term Performance and Long Term Potential,” May 23 2008, transcript published as commentary by Brookings.
- Panelist on “Arab Youth Between Hope and Disillusionment: Toward a New U.S. Strategy in the Middle East Brookings Institution, Nov 10, 2008.
- Plenary speaker: “Oil, Human capital, and Inequality: A view from Iran,” ERF 15<sup>th</sup> Annual Conference, Cairo Nov 23-25, 2008.
- Department of Economics, University of Michigan, Oct 30, 2008, “Family Planning and Rural Fertility Decline in Iran: A Study in Program Evaluation.”
- Panelist in a workshop organized by the World Bank in Washington DC on “Youth - An Undervalued Asset in MENA?” March 6, 2008.
- “Iran’s economy in perspective,” presentation to the 2008 Annual Conference of the Oil, Energy & the Middle East Program, Iran: Energy, Politics and Society, 25-26 April 2008, Princeton Environmental Institute & Department of Near Eastern Studies, Princeton University, April 23-24, 2008.
- “Labor market flexibility and investment in human capital,” IZA/World Bank conference on Labor Markets and Economic Development,” Rabat, Morocco, May 5-6, 2008.
- “The youth in Iran,” Presentation to Iran Working Group, The Brookings Institution, Washington DC, June 12, 2008.
- “The changing pattern of marriage in Iran,” with Golnaz Taghvatalab, International Union for the Scientific Study of Population (IUSSP), International Seminar on “Changing Transitions to Marriage: Gender Implications for the Next Generation”, New Delhi September 9-13, 2008.
- Expert group meeting on mainstreaming age-structural transitions into economic development policy and planning, 7-9 October, 2008, hosted by The Vienna Institute of Demography of the Austrian Academy of Sciences, organized by the United Nations Population Fund (UNFPA), in collaboration with The Institute for Future Studies (IF), Stockholm University.
- “Family Planning and Rural Fertility Decline in Iran: A Study in Program Evaluation,” Gender and Economic Research for Policy Analysis (GERPA), 2<sup>nd</sup> Annual Conference, Dubai School of Government, Dubai, Nov 15-17, 2008.
- “Family Planning and Rural Fertility Decline in Iran: A Study in Program Evaluation,” ERF 15<sup>th</sup> Annual Conference, Cairo Nov 23-25, 2008.
- Workshop on Inequality in MENA, “Inequality and Human Development in the Middle East and North Africa,” Cairo Nov 21-22.
- “Family Planning and Rural Fertility Decline in Iran: A Study in Program Evaluation,” Conference on the Iranian Economy, University of Illinois, Champaign-Urbana, December 11-13, 2008. (I had two other co-authored paper in this conference).

## Aris Spanos

- April 4-6. *New York Camp Econometrics, Ithaca, NY*, Participated in and Presented a paper entitled:  
**“Fixed vs. Random Effects Panel Data Models”**
- April 29, Department of Economics, Oxford University, Presented a paper entitled:  
**“Revisiting the Pre-test Bias Argument: what are the relevant errors?”**
- May 8, Cass Business School, City University, London, presented a seminar entitled:  
**“Revisiting Panel Data Modeling: on how to Secure the Reliability and Precision of Inference”**
- May 18-24, 2008, Presented a series of 4 (3 hour) invited lectures at the *University of Piraeus* (Athens, Greece) on:
  - On theory testing in Economics and its problems
  - Model specification vs. Model selection: Akaike-type criteria and their problems.
  - Revisiting Panel Data modeling: Statistical model specification in terms of the observable processes involved.
  - Statistical vs. Substantive Significance.
- June 5, Department of Philosophy of Science, Logic and Scientific Method, London School of Economics, London, presented a seminar entitled: **“Theory Testing in Economics and the Error Statistical Perspective”**
- June 6, Nuffield College, Oxford University, Presented a paper entitled: **“Fixed vs. Random Effects in Panel Data Models: Statistical model specification in terms of observable processes involved”**
- June 29, participated in a conference in Blacksburg, Virginia, on *Philosophy of Science and Evidence Relevant for Regulation (and Policy)*, and presented a paper entitled: **“On Modeling the Global Surface Temperature Data: Securing the Trustworthiness of the Evidence”**
- July 12, Department of Economics, University of Cyprus, presented a seminar entitled: **“Methodological Problems associated with Mis-Specification Testing”**
- September 12-13, Madrid, Spain, Participated in the *International Conference for Economic Methodology*, by chairing a session and presenting a paper entitled: **“Theory Testing in Economics and the Error Statistical Perspective”**
- October 24, Economics Department, Virginia Tech, presented a seminar: **“Fixed vs. Random Effects Panel Data Models: Revisiting the Omitted Latent Variables and Individual Heterogeneity Arguments”**
- October 29, **Center for Advanced Study in the Social Sciences, Madrid, Spain** (jointly scheduled with the **Urrutia Elejalde Foundation**), invited seminar entitled: **“Empirical Modeling in the Social Sciences: The Case of Economics”**
- October 30-31, 2008: Second Meeting on Philosophy, Probability and Scientific Method, Valencia, Spain, participated in this conference and presented a paper entitled: **“Statistical Adequacy and its Role in Frequentist Inductive Inference”**

- December 3, Department of Philosophy, Logic and Scientific Method, London School of Economics, London, England, presented an invited seminar entitled: **“Statistical Adequacy and Mis-Specification (M-S) Testing”**

#### **Nicolaus Tideman**

- The statistical source of election results, Statistics Department, Virginia Tech, March 27, 2008
- “Property and Land Taxes” (with Bruno Moser), presented at the conference, Tax Policy in Vietnam: Key Issues and Reform Proposals, Hanoi, May 29-30.
- “Evaluating Voting rules The Source of Election Results: An Empirical Analysis of Statistical Models of Voter Behavior” (with Florenz Plassmann) presented at the meetings of the Southern Economic Association, November.

#### **Kwok Ping Tsang**

- “An Econometric Investigation of Frequency Dependence in the Fed’s Behavior: A Reanalysis of the Taylor Rule,” (with Richard Ashley (VT) and Randal J. Verbrugge (BLS)) **University of Hong Kong**, Hong Kong Special Administrative Region, January, 6<sup>th</sup>, 2008.

### **NEW EXTERNAL GRANTS**

#### **Sheryl Ball**

- **NEW GRANT:** NSF Economics Pedagogical Portal, Scott Simkins NCAT PI. I am senior faculty on this grant. This project proposes the creation of an economics pedagogic portal as part of the national Science Education Resource Center (SERC) <http://serc.carleton.edu/serc/about.html>. It will offer one-stop pedagogical content resources for economics instructors including ready-to-use examples organized by teaching technique and topic in the principles curriculum. The portal will use the existing set of SERC pedagogic resources, adapting them for use in economics courses, and will add new resources in areas not now included as part of the SERC site.
- (Continuing) NSF Wireless Internet Center for Advanced Technology grant, Tamal Bose PI. I am senior faculty on this \$350,000 grant through which Virginia Tech joins a multi-university research center. (Funded as of February 2008).
- (Continuing) NSF Grant “Collaborative Research: WITS: A Wireless Interactive Teaching System.” I am PI. Collaborative grant with Catherine Eckel, University of Texas at Dallas. \$375,000. (DUE-0618646)
- Continued work on the NSF Grant “ProWIN An Enabling Technology for Wireless Networks – The VT Cognitive Engine”. I am co-PI on this grant with Charles Bostian from Electrical and Computer Engineering as PI. This grant will study a new wireless technology called Cognitive Radio. I am working on pricing models for the service that will be created. \$1,409,704. Grant is currently active.

**Suqin Ge**

- **NEW GRANT:** CCK Foundation Research Grants 2008--2010, joint with Dr. Dennis T. Yang. "Globalization and Rising Wages in Mainland China." \$17,000.

**Djavad Salehi-Isfahani**

- **NEW GRANT:** Family Planning and Schooling of Rural Women in Post-Revolution Iran (\$32,000).
- **(Continuing)** "Family Planning and rural fertility in Iran: a study in program evaluation" Gender Economic Research and Policy Analysis (\$6000)
- **(Continuing)** PI, "Evaluating the impact of Iran's Health and Family Planning Program on Fertility and Education in Iran," Global Development Network (\$120,000).

**DEPARTMENT SEMINARS AND CONFERENCES**

The department continued its twice-a-week seminar series with some distinguished outside speakers as well as Economics faculty. We also intensified our efforts to host small conferences at the Virginia Tech campus.

### III. ENGAGEMENT

Department faculty was engaged in a variety of outreach activities this year. A detailed list itemized by faculty member follows.

#### **Sheryl Ball**

- Presentation to Alumni as part of the 2008 “Summer Around the Drillfield” program on Energy and the Environment.
- Presentation “Class Policies for an Easier Semester” at Graduate School GTA Phase 1 Workshop on 8/19/09.
- Organized “Classroom Tips from Award-Winning Teachers” Graduate School GTA Phase 2 Workshop presented on 9/22/09.

#### **Suqin Ge**

- Discussant, American Economic Association Meeting, Jan. 2008, New Orleans, Louisiana.
- Discussant, Southern Economic Association Meeting, Nov. 2008, Washington DC.
- Session Chair, Southern Economic Association Meeting, Nov. 2008, Washington DC.
- Applied and was selected to participate the CSWEP mentoring workshop during Jan. 7-8, 2008 in New Orleans, Louisiana.
- Visiting Assistant Professor at Chinese University of Hong Kong (Hong Kong, China) during May-June, 2008.
- Visiting scholar at Upjohn Institute of Employment Research (Kalamazoo, Michigan) during July-August, 2008.

#### **Gebremeskel Gebremariam**

- Attended a three-day New Faculty Orientation Workshop organized by Faculty Development Institute (FDI), Virginia Tech., August 19-21, 2008.
- Attended Principles of Economics Symposium organized by McGraw-Hill in La Jolla, California, March 5-8, 2009.

#### **Djavad Salehi-Isfahani**

- Funded Ph.D. Candidate, Ali Hashemi on ERF Grant “Returns to education in Egypt, Iran and Turkey,” and fall 2008 GDN grant, "An evaluation of the impact of Iran's rural health and family planning program."
- Invited as participant in the Doha Summit, Young People and Employment in the Arab World, 1-2 June 2008, Doha, QATAR. This was the first meeting of Silatech, an organization launched with a \$100 million grant from the government of Qatar to promote youth education and employment in the Arab World through research and training.
- Advised New Yorker author who wrote an article in that journal in which work was heavily cited. [http://www.newyorker.com/reporting/2009/02/02/090202fa\\_fact\\_secor](http://www.newyorker.com/reporting/2009/02/02/090202fa_fact_secor)

- In a group of three experts in a New York Times forum to discuss with readers issues raised in an article on youth in Algeria. <http://thelede.blogs.nytimes.com/2008/06/23/ask-the-experts-about-algeria/>
- *The National*, a United Arab Emirates major daily (<http://www.thenational.ae/article/20081113/PAGETHREE/580906490/1119/FOREIGN>)
- Interviewed for and quoted in AFP story about Iran buying wheat from US ([Drought stricken, Iran buys US wheat for first time in 27 years](#))
- Chronicle of Higher Education: Aisha Labi: Among Scholars, Resistance and Resilience in Iran, 8/1/2008, Volume 54, Issue 47, Page A1. <http://chronicle.texterity.com/chronicle/20080801a/?pg=16>
- Iran's Inflation Woes Leave Ahmadinejad Vulnerable in 2009 Elections, ERICA ALINI 30 JUL 2008 [www.worldpoliticsreview.com/article.aspx?id=2508](http://www.worldpoliticsreview.com/article.aspx?id=2508)

### Aris Spanos

- **April 15-16**, Stone Lectures 2008. Sir Tony Atkinson: '**Economic Data and the Distribution of Income**' at two NIESR events held at NIESR 15 April and at the Bank of England, London, England.
- **May 26**, participated in the second London and **Oxbridge Time Series Workshop** which will take place at Queen Mary, University of London.
- Co-organized [with D. G. Mayo] a conference in Blacksburg Virginia on *Philosophy of Science and Evidence Relevant for Regulation (and Policy)*, June 27-30, 2008, which was designed to be an interdisciplinary conference that included philosophers of science [Clark Glymour, John Worrall, Kristin Shrader-Frechette, Sandra Mitchell, Kevin Elliott], economists [Kevin Hoover] , lawyers [Carl Cranor], and policy makers [Wendy Wagner, David Michaels].
- Spent two months as a visiting scholar at Nuffield College, Oxford and I had an opportunity to collaborate with several econometricians at Oxford University on a number of different projects that resulted in one published paper and several working papers.

### Steve Trost

- One of two Virginia Tech employees to attend the annual Classroom Response Systems conference in Louisville, KY (Nov. 14-15, 2008)
- Represented the VT economics department at the LIKES (Living In the KnowlEdge Society) conference in Blacksburg, VA (Oct. 31-Nov. 1, 2008)
- Attended the Southern Economic Association Conference in Washington, DC (Nov. 20-23, 2008)
- Regularly attended seminars in both the Economics and Agricultural Economics departments.
- I regularly exchange ideas with colleagues both at Virginia Tech and elsewhere concerning large class teaching methods – especially the use of technology in the classroom.

### Kwok Ping Tsang

- “To the Young Public Intellectuals in Hong Kong”, oped, *Mingpao* (a major newspaper in Hong Kong), Dec 2008.

## IV. DIVERSITY ACTIVITIES

We are well represented internationally in both our faculty and graduate students. We currently have two female faculty members, that is fewer than in the past. Dr. Sheryl Ball has served as Associate Head since August 2007. Diversity has been and continues to be a key concern in recruiting. Dr. Gebremeskel Gebremariam, a native of Eritrea, joined the department in January 2008 as a full time instructor. Our most recent hire is a native and citizen of Cameroon. All of our incoming graduate students for Fall 2008 were international, except for one; and two of the seven are female.

Several faculty members were engaged in diversity related research and other activities:

### **Dr. Suqin Ge:**

- Does significant research on the gender difference in college attainment and labor supply in the U.S.
- Covers labor market discrimination in Econ 6104 – Labor Economics.
- Presented a seminar at Virginia Tech, INFORMS (Institute for Operations Research and the Management Science) on gender difference in school attainment in September 2008.
- Applied for Faculty Diversity Research Grant at Virginia Tech (with Dr. Sheryl Ball); proposal title “Does Dual Enrollment Credit Widen or Close the Education Gap?”

**Dr. Sheryl Ball** worked on a project called, “Do Names Really Matter? An experimental economics paper on ethnic discrimination based on names”, an ongoing research project (joint with Catherine Eckel) developing a tool for measuring discrimination in an undergraduate student population. This paper has been presented at a number of conferences and several times on the Virginia Tech campus. The study was recently repeated at the University of Texas at Dallas to compare the results to those obtained at Virginia Tech.

**Dr. Steve Trost** - As part of my current research, I am investigating differences in how men and women learn in my Principles of Economics courses. Women have traditionally been underrepresented in the economics field and understanding how women experience their first economics course may suggest ways to encourage more women to go into the field.

## V. SERVICE

In this section we focus on service to the college, to the university, and to the profession.

### **Richard Ashley**

- Served as Director of Graduate Studies
- Served as chair of the Department Graduate Policies Committee
  - Worked to design and implement the SACS assessment of the Ph.D. program
- Served on the Qualifying Exam Committee
- Served on the College Honorifics Committee
- Served with the Faculty Search Committee (including interviewing at AEA meetings)
- Department Network Liaison
- Interviewed Applicants for Departmental Staff Position (Fiscal Technician)
- Refereed three grant proposals
- Participated in Hatch Project Reviews for two members of the AAEC Department
  - Mentoring: for Ph.D. committees – Crawford, Pan, Radhakrishnan, and Romero-Aguirre

### **Sheryl Ball**

- Undergraduate Advising
  - Honors Advising
  - Arbitration for dissatisfied students
  - Evaluation of all Economics Transfer credits
- Graduate Advising
  - Ph.D. committees – Nguyen, Romero-Aguire, and 2 Accounting students
- Chair of Diggs Teaching Scholars
- Member of Virginia Tech Mediation Team
- Referee for American Economic Review, Economic Inquiry, Journal of Economics Education, Journal of Education in Business, European Economics Journal, Southern Economics Journal and National Science Foundation (>1).

### **Richard Cothren**

- Departmental Executive Advisory Committee
- Departmental Faculty Search Committee
- Departmental Undergraduate Curriculum Committee
- Departmental Qualifying Exam Committee
- College of Science Curriculum Committee
- Faculty Senate
- University Athletics Committee (COS representative, serving first of a three year appointment)
- Chair of the Academic Integrity Committee (a subcommittee of the University Athletics Committee charged with evaluating *Student Athlete Academic Support Services (SAASS)*)
- Serve as advisory committee chair for Ravishekhar Radharishnan.

### **Gebremeskel Gebremariam**

- Provided several undergraduate students with letters of recommendation.

### **Suqin Ge**

- Served on Faculty Search Committee – participated in screening job applications and interviewing job market candidates during the AEA meeting
- Served on Graduate Program Committee – actively engaged in the admission of new graduate students from China. Read all applications and helped select qualified students for our graduate program.
- FAR Committee – performed regular duties by reading all FARs, and participated in committee meetings.
- Invited and hosted Peter Arcidiacono from Department of Economics, Duke University to give a seminar on “CCP Estimation of Dynamic Discrete Choice Models with Unobserved Heterogeneity” (April 2008)
- Provided a letter of recommendation for a student who was accepted into AAEC as a graduate student.
- Served as a Ph.D. Committee Member for:
  - Ali Hashemi (4th year student) – attended prelim defense
  - Paul Hallman (3rd year student)
  - Binh Nguyen (3rd year student)
  - Golnaz Taghvatalab (3rd year student)
  - Zhiyuan Zheng (3rd year student) – advised summer project
  - Sibel Atasoy (AAEC student) – attended prelim defense
- Referee for *Journal of Population Economics* on the paper “Age Structure of the Workforce in Growing and Declining Industries: Evidence from Hong Kong,” by Jun Han and Wing Suen.
- Referee for *European Economic Review* on the paper “Effects on School Enrollment and Performance of a Conditional Cash Transfers Program in Mexico,” by Pierre Dubois, Alain de Janvry, and Elisabeth Sadoulet.

### **Hans Haller**

- Department Head
- Referee for *International Economic Review*, *Economic Theory*, *Mathematical Social Sciences*
- Associate Editor for *Journal of Economics* (since 2005), *International Game Theory Review* (since 2002), *The Manchester School of Economics* (since 1997)
- Principal Advisor of Doctoral Students: Prasun Bhattacharjee, Jaideep Chowdhury, Andre Crawford, Reza Kheirandish, Dongryul Lee, Hojjatallah Ghandi
- Dissertation Committee Member for Zhengzheng Pan, Jongwon Shin, Zhiyuan “Jason” Zheng, Juqi Lui (ISE)

### **Amoz Kats**

- Served as Co-Chair on the joint ECON-AAEC Ph.D. Qualifying Exam Committee: wrote, composed, and graded exam problems and papers.
- Served on the Departmental search and hiring Committee.
- Member, departmental Graduate Program Committee
- Member, Honors Students Scholarship Selection Committee
- Member, Honors Student Admission Committee
- Referee for *Games and Economic Behavior*, *International Journal of Game Theory*, and *Journal of Regional Science*
- Adviser to undergraduate students majoring in Economics in the College of Business.
- Mentor to Brad Shapiro who is majoring in Economics and Mathematics with additional work in History and in Engineering. He was recently awarded an NSF Graduate Scholarship and was admitted to MIT's Ph.D. program in Economics.
- Continued to mentor Tory Smith in developing and submitting his application and portfolio for the **Wayne and Clair Horton Scholarship**. This is a very competitive scholarship for honors students. It provides funds for special and specific projects that the winner plans and will participate in outside the US. Tory did win this scholarship (the final interview was conducted in March 2008).
- Provided letters of recommendation for numerous freshmen and sophomore honors students applying for different scholarships.
- Served on Ph.D. Dissertation Committees for Andre Crawford, Dongryul Lee, and Hojjatallah Ghandi.
- Served on 3<sup>rd</sup> Year Paper Committees for Jongwon Shin and Binh Nguyen.
- Provided letters of recommendation for graduate students on the job market; Dongryul Lee and Hojjatallah Ghandi

### **Joao Macieira**

- Member of departmental Recruiting Committee – reviewed applications from job candidates and participated in job interviews
- Dissertation Committee Member for:
  - Prasun Bhattacharjee – supervision of his empirical work on multimarket contact in the airline industry
  - Ali Hashemi – supervision of his empirical analysis of Iranian Presidential Elections
- Dissertation Committee Chair for Jongwon Shin – supervision of his theoretical research on network formation models in two-sided markets

### **Djavad Salehi-Isfahani**

- Served on Departmental Graduate Programs Committee
- Served on Departmental Qualifying Exam Committee
- Served on Departmental Executive Committee
- Served as Departmental Working Paper Coordinator

- Associate Editor, The Middle East Development Journal, The journal of the Economic Research Forum.
- Program committee, 15<sup>th</sup> Annual Conference of the ERF, Cairo 22-25, 2008.
- Program committee, “The Conference on Iranian Economy,” University of Illinois, Champaign Illinois, Dec 11-13. 2008.
- Reviewed article for Journal of Economic Behavior and Organization.
- Participated in Youth project discussions in Doha, Qatar, at the invitation of Silatech, A Qatari Youth research and policy, May 8-9, 2008.
- Graduate Advising Committee member:
  - Reza Kheirandish (defended August 2008)
  - Eftila Tanellari (AAEC)
- Graduate Advising Committee Chair
  - Paul Hallmann (3<sup>rd</sup> Year)
  - Golnaz Taghvatalab (3<sup>rd</sup> Year)
  - Ali Hashemi (4<sup>th</sup> Year)

### **Aris Spanos**

- Served as Chair of the College of Science Promotion & Tenure Committee
- Served on departmental Executive Committee
- Departmental FAR Committee
- Served on Graduate Program Committee
- Seminar Series Coordinator
- Refereed for *Econometric Theory*, *The Annals of Applied Statistics*, *Handbook of Philosophy of Science*, *Annales Zoologici Fennici*, *Foundations of Science*, *Journal of Econometrics*, *Econometrics Journal*, *British Journal for the Philosophy of Science*, *Journal of Economic Methodology*, *Synthese*.
- Graduate Committee Chair for Alfredo Romero-Aguirre
- Graduate Committee Member for Ali Hashemi and Zhengzheng Pan

### **Nic Tideman**

- Served as the Economics representative to the College of Science Cluster Committee
- Reviews for NSF, *Public Choice* and *Economics and Philosophy*
- Board of Directors, *American Journal of Economics and Sociology*
- On the dissertation committee of Joe Mazor, who plans to defend his dissertation in the Political Economy Program at Harvard in May. Wrote many letter for Joe who will have a Post-doc at Princeton next year.
- Advisory Committee Chair for Binh Nguyen who defended his third-year paper in April 2009.
- Closely advise Brad Shapiro who is writing an economic paper for his Master’s degree in math. Brad has been awarded an NSF fellowship for further study in economics.
- Advisor for Yonghui Zhang who is here for two years, under the sponsorship of the Chinese government, to work on a Ph.D. from a Chinese University.

## Steve Trost

- Undergraduate Advising
  - As the Career Advisor for the Department of Economics, I talk to majors about potential career paths in economics (and related disciplines).
  - While not their official advisor, I often also counsel my ECON 2005 students on potential career paths in economics.
- Graduate Advising
  - As the coordinator for all the first-year graduate teaching assistants, I had conversations with graduate students about the first-year work load and the importance of balancing coursework with their duties as teaching assistants.
- As the Coordinator for the Principles of Economics courses, it is my responsibility to ensure consistency (in terms of course content and grading) across all instructors. This entails deciding on a common textbook, helping graduate instructors set up their course, and encouraging and enabling the use of technology in the classroom. I also serve as a resource if they have any questions about teaching or setting up their courses.
- I am also responsible for assigning, coordinating, and overseeing the work of all the graduate teaching assistants used in the administration of these courses. Due to the small number of available graduate assistants and the large number of classes taught, this is often a tough balancing act. My duties as coordinator require a significant portion of my time, especially in the early weeks of the semester and during exams.
- During Spring 2008, I also spent a good amount of time researching different textbooks for use by myself and the graduate Principles instructors. This involved looking at different text books, exploring the technology options each had to offer, and talking into textbook reps concerning content, cost, and ways to bring the cost down. As a result of my work, I created a way to lower costs and allow flexibility for my students (the options I came up with have since been suggested to other schools).
- As the faculty coordinator for the Economics Tutoring Center (ETC), I am responsible for staffing the center with graduate students throughout the semester.
- As the Career Advisor for the Department of Economics, I am involved with University-wide career-related events and also counsel students on potential careers in economics and related fields.
- Faculty Advisor for the Virginia Tech Skateboard Club, Spring 2008-Fall 2008
- Discussed my use of iClickers with several other professors who are considering adopting the technology or are just curious.
- Along with my wife, Erika Meitner, I've hosted several events for the English Department including receptions for visiting writers and current and potential English graduate students.
- Served on the Board of Advisors for a new principles of economics text. In addition to editing and commenting on the text as it is written. During my activities I have had the opportunity to talk with colleagues from other schools concerning what is important in the development of the text as well as in the teaching of the course.

- I have also been very active in exploring ways to keep textbook prices down for students and have shared my ideas with faculty at other schools.

### **Kwok Ping Tsang**

- Served on the Qualifying Exam Committee

### **Joe Yang**

- Served on the College of Business Commencement Committee. Coordinated commencement activities between the Economics Department and the College of Business.
- Served on the departmental Qualifying Exam Committee. Participated in revising the exam questions submitted by various professors who are asked to develop the exam questions
- Provided recommendation letter and advice on Graduate Schools for a student in Industry Structure course.
- Served a member on the Advisory Committee for:
  - Jaideep Chowdhury – finished in December 2008
  - Paul Hallmann
  - Golnaz Taghvatalab
  - Jongwon Shin
  - Zhiyuan ‘Jason’ Zheng

## **VI. HONORS & AWARDS**

- **Dr. Suqin Ge**, AEA/CSWEP Summer Fellow, visiting scholar at Upjohn Institute of Employment Research, July-August 2008.
- **Dr. Djavad Salehi-Isfahani**, Associate Editor, The Middle East Development Journal, The journal of the Economic Research Forum. Inaugural issue expected June 2009.

## **VII. DEPARTMENTAL ADMINISTRATIVE ACTIVITIES**

### **FACULTY RECRUITMENT AND ADDITIONS**

The department committed considerable thought and energy into the recruitment of new faculty members. We were pleased to have Dr. Gebremeskel Gebremariam, West Virginia University, joining our department as full time instructor in January 2008 and Dr. Kwok Ping Tsang joining us in August 2008 as tenure track faculty.

At the beginning of academic year 2008-09, we talked about the most critical faculty needs. We concluded that given the small size of the department, we should search primarily in the area of microeconomics and game theory, we where found ourselves in dire need of a second expert after the imminent departure of Dr. Gilles. Our ad attracted close to 200 applications. Our recruitment effort involved all available faculty. We gained approval of 32 candidates by the College Cluster Committee and arranged to interview them at the Annual Economics meeting in San Francisco in early January. We invited the most promising candidates to campus. We made one offer that was rejected and one which was accepted. We are pleased to welcome Dr. Eric Bahel, University of Montreal, who will join us in August 2009.

### **FACULTY DEPARTURES**

The gains in new faculty have been offset by departures. Dr. Dennis Yang was on study-research leave during Spring 2007 and unpaid leave during the academic year 2008-09. He has now resigned and will be working at the Chinese University of Hong Kong. Dr. Robert Gilles has accepted a chair at Queen's University Belfast and has resigned. Dr. Earl Davis, Clemson University, has been a Visiting Assistant Professor in 2008-09. We could not renew his contract because of the current tight budget.

### **VARIABLE WORK LOAD**

We planned, adapted and initiated variable teaching/research/service guideline in Fall 2006. These are designed to maximize productivity of the department by allowing and encouraging flexibility in work loads. Faculty who have maintained highly productive research programs over recent years will have slightly smaller teaching responsibilities while those who have low research productivity over the past few years will contribute more teaching. The feedback from faculty suggests a need to revisit the guidelines. Moreover, the small faculty size limits flexibility.

### **STAFF CHANGES**

The department hired a new fiscal technician in August 2008. We are pleased to welcome Teresa Ritter as our new Fiscal Technician.

## VIII. FUTURE DIRECTIONS

The majority of our faculty are engaged in international or interdisciplinary research collaborations. Many, but by no means all, newly hired faculty will be empirically (possibly experimentally) oriented, following the trend in the profession. But we still will need experts who are able to teach theory at all levels. The Economics Department remains below the critical size necessary to provide the necessary academic support to fully prepare our undergraduate and graduate students professionally. Certainly, we are not of the size to provide adequate support for a top-50 research University. The Economics Department had 25 full-time faculty positions in 1990 and this fall we expect to have 15 (including two instructors). The average number of full-time economics faculty positions at the ten land-grant universities that are our peer institutions is 29. The average for the four largest institutions in Virginia including James Madison is 25.

The three most critical tasks for the coming years have not changed: **recruitment, recruitment, recruitment.** We need strength in scholarship and instruction. Given our age structure, we are also in danger of running out of personnel qualified for leadership positions, both academically and administratively. Departmental leadership is a serious concern and must be addressed both in the short- and the long-run.

While we were successful in recruitment of new faculty in recent years, the faculty size remained the same, a very fragile steady state. Further recruitment of new faculty is critical. To preserve leadership potential, some senior hiring proves critical as well. We need to grow the size of the faculty and in order to do this we must recruit at least two faculty members each year for several years.