PART I – EXECUTIVE SUMMARY

Department Head Summary

Following the nation-wide trend, Economics has become an increasingly popular major at Virginia Tech. About 90 students are graduating each year, with graduates from the College of Science (74 in Spring 2010, up from 56) and College of Business (20 in Spring 2010, down from 30). Total enrollment figures are 482, with 364 in the College of Science and 118 in the College of Business. We struggle to provide enough electives to our undergraduates and are hardly 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.

Investment in new faculty members is particularly critical if the Department is going to be able to take advantage of the opportunities being created by the Carilion Medical School and other cross-cutting initiatives.

Research/Scholarship. Many of the 2010 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. Ge, Haller, Salehi, and Tideman all have international interest and involvement. Network related research has been a particular focus.

Graduate and Undergraduate Education. The one Ph.D. completed in 2007 was clearly disappointing. Since then, we had three Ph.D.s completed both in 2008 and 2009, two in 2010, and expect four to five in 2011. 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 that, 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 specific student interests – instead we make choices with the objective of creating enough seats in electives so that seniors planning to graduate in that semester can graduate on time. We were able to restore enrollment numbers in these courses by offering extremely large classes, which 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 or Scholar, 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.

Outreach. We are excited that Dr. Salehi received the 2010 College of Science Award for Outreach. His 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.

FACULTY

1. Full-Time Faculty for Calendar Year 2010

Professors: Richard Ashley, Hans Haller, Amoz Kats (Retired June 2010), Djavad Salehi-Isfahani (On Leave AY 2009-10), Aris Spanos, Nicolaus Tideman

Associate Professors: Sheryl Ball, Richard Cothren.

Assistant Professors: Eric Bahel, Suqin Ge, Joao Macieira, Kwok Ping Tsang, Zhou Yang


Summer 2010: Ahsanuzzaman Ahsanuzzaman, Sanaz Fesharaki, Gebremeskel Gebremariam, Niraj Poudyal, Ravishekhar Radhakrishnan, Ming Yi, Beibei Zhu
Visiting Professors: Steve Scroggin (Spring 2010 & Fall 2010)

2. Full-Time Faculty on Leave in 2010

Djavad Salehi-Isfahani was on research study leave during Spring 2010. Suqin Ge and Nicolaus Tideman were on unpaid leave during Fall 2010.

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, though the demand was somewhat less than the previous year. Once again, we resorted to an ad hoc method to meet the demand, using 5th year doctoral students as instructors along with a visiting professor (Steve Scroggin), a temporary instructor (Dongryul Lee), and two full time instructors (Gebremeskel Gebremariam, Steven Trost). Professor Richard Cothren was the faculty presence in the sequence, teaching a large section.

These efforts are not a permanent solution to the staffing problem. In particular, we would like to rely less on our advanced graduate students. The current situation creates the following difficulties:

1. Supporting 5th year Ph.D. students uses our very limited GIFs. As a result we are forced to limit the incoming class in order to support the advanced students.
2. Extensive teaching slows the student’s progress to degree.
3. Another difficulty is that we are not able to ask students teaching one course one semester to invest in learning “best practices” in teaching Principles of Economics, like clickers. Some of our students plan non-academic jobs so the human capital developed in using clickers would not transfer to their post degree jobs.
4. Few of our Ph.D. students are from English speaking countries. While they can pass the “speak test” the university administers, their English language skills in many cases are marginal. We have observed that these skills are frequently insufficient to teach large classes.
5. Hiring instructors who will teach for only a semester or two uses considerable administrative resources.
6. Training a new cadre of instructors every year, and then dealing with the administrative difficulties caused by the mistakes that new instructors invariably make uses considerable administrative resources.

7. Graduate students and outside visitors cannot engage students in discussions about the economics major and careers in economics.

Funding continuity for Dr. Trost has been a very positive step for the department. We would like the same type of support for Dr. Gebremarium. To date he has been funded using salary savings from faculty on leave, meaning there is a risk we might not have the funding to keep him. Since he was recognized as the “Outstanding Principles Instructor” at graduation, it would be a good investment for the University to insure his funding continuity.

Only two students were involved in formal undergraduate research this year. In part this is a result of strains being put on the faculty to create seats in courses. Many faculty do research that does not lend itself well to student participation, however, the department feels that it could increase participation substantially if faculty were not otherwise feeling overtaxed.

We are still unable to staff the position of Director of Undergraduate Studies. Without faculty leadership in this area 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. Some examples are inadequate attention to the assessment mandate and proposals for new courses and changes in the curriculum are not being written and submitted.

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

1. **Curriculum Development**

**Sheryl Ball**
- Substantially revised Econ 3104 Microeconomic Theory (the hurdle course for the major) by changing some course topics in students’ weak areas and moving course material around so that the hardest topics were no longer after the second midterm. The result was much higher final exam scores than during the other 2 semesters.

**Suqin Ge**
- Found that students in Econ 3204 (Macroeconomics Theory) found the course material in this major requirement too difficult and gave them more opportunities to practice solving problems.

**Joao Macieira**
- In ECON 3254, Analysis of Economics Data, Dr. Macieira made changes to avoid overlap with other courses offered on campus (e.g. BIT, MKTG, STATS).
Steve Trost
- In ECON 2005, Microeconomic Principles, added more real-world examples and more econ-related outside media (such as interviews from shows like The Colbert Report and The Daily Show). An effort was also made to put more emphasis on the applicability of the theories to real world firm and individual behavior.

2. Undergraduate Research

Richard Ashley
- Worked with a student on a continuation of ECON 4304 Econometrics.

Sheryl Ball
- Fall 2010 - Supervised a pair of students working on a team research project. Dr. Ball met with these students once or twice a week for at least an hour to guide them through designing an experiment that they conducted in Spring 2011. Dr. Ball notes that this project required as much of her time as an extra course would have.

3. Technology

Richard Ashley
- Attended FDI workshop on Scholar during Summer 2010 and now uses Scholar for all courses.

Sheryl Ball
- Again used the WITS wireless system to conduct classroom experiments in ECON 3104. In addition she has encouraged instructors to use the system and several graduate student instructors used WITS in their principles course.
- Continued developing the Classroom Experiments module for the Science Education Resource Center hosted at Carleton College. [http://serc.carleton.edu/index.html](http://serc.carleton.edu/index.html) The site contains information for science teachers interested in conducting classroom experiments and has examples as well as information on teaching effectiveness and assessment. The site is now live and Dr. Ball is in the process of adding content.

Steve Trost
- Continued use of the iclicker technology as a prominent way of having students participate in large, 500-student courses.
- Continued to implement expanded use 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 2005 – 2010 which include Spring, Summer, and Fall semesters. Table 2 shows condensed information on student headcounts for calendar years 2005 - 2010, which include Spring, Summer, and Fall semesters. We note that principles enrollments are lower by a surprising amount. We have no explanation for this and, since nationwide economics enrollments are up, are planning for 2011 under the assumption that it is not a trend. The decrease in 4000 level course enrollments is explained by the increase in 3000 level enrollments – these are primarily economics electives. Lack of tenure track faculty to teach 4000 level courses meant that more 3000 level electives were offered and students were forced to take them to stay on track for graduation.

Table 1. Weighted Student Credit Hours: Calendar Year Totals

<table>
<thead>
<tr>
<th></th>
<th>2005¹</th>
<th>2006²</th>
<th>2007³</th>
<th>2008⁴</th>
<th>2009⁵</th>
<th>2010⁶</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>21,586</td>
<td>21,432</td>
<td>24,411</td>
<td>26,315</td>
<td>24,109.86</td>
<td>20,644.81</td>
</tr>
</tbody>
</table>

Table 2. Calendar Year Enrollments

<table>
<thead>
<tr>
<th></th>
<th>2005⁷</th>
<th>2006⁸</th>
<th>2007⁹</th>
<th>2008¹⁰</th>
<th>2009¹¹</th>
<th>2010¹²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principles</td>
<td>3,905 (27)</td>
<td>3928 (30)</td>
<td>4,757 (29)</td>
<td>4,717 (31)</td>
<td>4,567 (31)</td>
<td>3,875 (30)</td>
</tr>
<tr>
<td>(# sections)</td>
<td>19</td>
<td>22</td>
<td>20</td>
<td>22</td>
<td>21</td>
<td>23</td>
</tr>
<tr>
<td>3000 - level</td>
<td>582 (19)</td>
<td>640 (22)</td>
<td>673 (20)</td>
<td>853 (22)</td>
<td>783 (21)</td>
<td>830 (23)</td>
</tr>
<tr>
<td>(# sections)</td>
<td>27</td>
<td>15</td>
<td>18</td>
<td>14</td>
<td>15</td>
<td>12</td>
</tr>
<tr>
<td>4000 - level</td>
<td>521 (27)</td>
<td>364 (15)</td>
<td>794 (18)</td>
<td>467 (14)</td>
<td>452 (15)</td>
<td>330 (12)</td>
</tr>
<tr>
<td>(# sections)</td>
<td>24</td>
<td>25</td>
<td>23</td>
<td>24</td>
<td>23</td>
<td>15</td>
</tr>
<tr>
<td>Graduate</td>
<td>279 (24)</td>
<td>258 (25)</td>
<td>255 (23)</td>
<td>289 (24)</td>
<td>221 (23)</td>
<td>155 (15)</td>
</tr>
</tbody>
</table>

³ Spring 2007 + Summer I & Summer II 2007 + Fall 2007 Dept. Receiving Credit Teaching Load Report
⁴ Spring 2008 + Summer I & Summer II 2008 + Fall 2008 Dept. Receiving Credit Teaching Load Report
⁵ Spring 2009 + Summer I & Summer II 2009 + Fall 2009 Dept. Receiving Credit Teaching Load Report
⁶ Spring 2010 + Summer I & Summer II 2010 + Fall 2010 Dept. Receiving Credit Teaching Load Report
¹⁰ Spring 2008 + Summer I & Summer II 2008 + Fall 2008 Dept. Receiving Credit Teaching Load Report
¹¹ Spring 2009 + Summer I & Summer II 2009 + Fall 2009 Dept. Receiving Credit Teaching Load Report
¹² Spring 2010 + Summer I & Summer II 2010 + Fall 2010 Dept. Receiving Credit Teaching Load Report
GRADUATE PROGRAM

In the Spring 2010, the department had a total of twenty-four graduate students enrolled in the Ph.D. program, twenty-two with assistantships and two without (they were teaching elsewhere). The class breakdown was four first-year students, five second-year students, six third-year students, and nine students in their fourth or later years.

In Fall 2010, the department had a total of twenty-six graduate students enrolled in the Ph.D. program, twenty-two with assistantships and four without (two were teaching elsewhere). The class breakdown was four first-year students, four second-year students, five third-year students, and thirteen 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 seventeen 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 two Doctoral Degrees awarded in Spring 2010 to Binh Nguyen and Alfredo Romero-Aguirre. Additionally, the department awarded 1 Terminal Masters Degrees in 2010 through the 5 year BA/MA program.

3. Curriculum Changes and Program Development

Aris Spanos

- **New Course:** Econ 6614: Philosophical Foundation of Econometrics: The primary objective of this course is to provide a fresh look at the empirical foundations of Economics with a view toward improving the reliability and precision of statistical inference in applied econometrics. Emphasis throughout the course will be placed on the effectiveness of different ways to ‘learn from data’ at the level of a practitioner. The course draws students from Economics and Philosophy.

- Revised Econ 5946 – Econometric Theory and Practice: Introduction to Microeconometrics: The emphasis of the course is on statistical models that can be used to model cross-section and panel data, as opposed to time series.

- Revised Econ 6024: Advanced Topics in Econometrics: Econometric Time Series Modeling and its Applications to Financial Markets: This is a course in Time Series that has been revised thoroughly in order to focus it on statistical modeling and inference with special emphasis on time series applications in financial markets.
Zhou Yang

- Revised Econ 6604 (Advanced Methods for Applied Microeconomics): Revised the course significantly to take account of innovations in the field and an attempt to fill in the gaps in students’ background knowledge and skills.

4. Graduate Student Job Placement

Of the two doctoral students that earned a Ph.D. during 2010, Binh Nguyen was hired at SME Capital, a fund management company in Vietnam. Alfredo Romero-Aguirre obtained a tenure-track position at North Carolina A&T State University in Greensboro, N.C. Additionally, one of our enrolled Graduate Students was hired into a temporary visiting position beginning Fall 2010 at Washington & Lee University in Lexington, VA; a second enrolled Graduate Student continued a temporary visiting position at East Tennessee State University in Kingsport, TN.
II. DISCOVERY

This year, department faculty published 24 articles in peer-reviewed journals. Thirteen articles were accepted for future publication in peer-reviewed journals.

Three members of the faculty continued to work on previous grants while two won new grants. Faculty gave 61 presentations at conferences and invited seminar talks at other institutions.

FACULTY PUBLICATIONS

1. Papers Published in Peer-Reviewed Journals during the 2010 Calendar Year


Bahel E., (2010), The Implications of the Ranking Axiom for Discrete Cost Sharing Methods, International Journal of Game Theory DOI: 10.1007/s00182-010-0255-5. [http://www.springerlink.com/content/7h254kk247614t11](http://www.springerlink.com/content/7h254kk247614t11)


Gebremariam, Gebremeskel H., Tesfa G. Gebremedhin, and Peter V. Schaeffer, 2011, “County-Level Determinants of Local Public Services in Appalachia: A Multivariate Spatial Autoregressive Model


2. Papers Accepted at Peer-Reviewed Journals during the 2010 Calendar Year


Tideman, T.N. and Plassmann, F., Modeling the outcomes of vote-casting in actual elections, forthcoming in a volume of conference proceedings to be edited by Dan Felsenthal and Moshe Machover, and published by Springer.
3. Books

There were no publications of this kind during 2010 but there are several works in progress by many of our faculty.

4. Book Chapters and Other Scholarly Outlets. Published or Accepted for Publication During the 2010 Calendar Year


PRESENTATIONS/INVITED TALKS

Eric Bahel
- World Congress of Environmental and Resource Economists (WCERE Montreal 2010), June 2010: “The Economics of Oil, Biofuel and Food Commodities”.
- Cireq Conference: Environmental and Resource Economics - 80 Years after Hotelling, Montreal, April 2011: “The Economics of Oil, Biofuel and Food Commodities”.

Sheryl Ball

Suqin Ge
- Virginia Tech, Department of Economics (April 2, 2010), Blacksburg, Virginia. Paper title “Unobserved Worker Quality and Inter-Industry Wage Differentials.”
- Fudan University, Department of Economics (October 28, 2010), Shanghai, China. Paper title “Integration of Labor Markets in China: A Neoclassical View.”
- Chinese University of Hong Kong, Department of Economics (November 5, 2010), Hong Kong. Paper title “Accounting for Rising Wages in China.”
- Econometric Society World Congress (August 17-21, 2010), Shanghai, China.
- 2010 International Symposium on Contemporary Labor Economics (December 11-12, 2010), WISE, Xiamen University.
- 2010 Sixth Biennial Conference of Hong Kong Economic Association (December 17-19, 2010), School of Economics, Nankai University.

Gebremeskel Gebremariam
Hans Haller
- **University of Manchester; Queen’s University, Belfast:** “Local Interaction on Random Graphs”

Joao Macieira

Djavad Salehi-Isfahani
- The conference was held on May 3 and 4 at the Harvard Kennedy School of Government.
- From health service delivery to family planning: the changing impact of health clinics on fertility in rural Iran, with Ali Hashemi, Iran Economy Conference, University of Chicago Booth School of Business, October 15-17, 2010.
- “The Middle Class in Iran,” with Amir Kermani, University of Chicago Booth School of Business, October 15-17, 2010.

**Aris Spanos**

- **May 18**. Seminar at the Frankfurt School of Finance and Management: “Revisiting the Empirical Foundations of Financial Economics: What have we Learned from Data?”
- **May 25**. Seminar at the University of PIRAEUS: “Theory Testing in Economics: the CAPM in Financial Economics”
- **May 27**. Seminar at the University of Athens (Dept. of Philosophy of Science): “Model-based Inference and the Frequentist Interpretation of Probability”
- **June 22**, Participated in a conference in Honour of Sir David F. Hendry, at the University of St. Andrews (Scotland), June 22-23, 2010, and presented a seminar entitled: “Statistical Model Validation and the Methodological Charges Leveled Against Misspecification Testing”

**Nicolaus Tideman**

- Economics Department, Seoul National University, Seoul, Korea, Oct. 26
- Economics Department, University of Bilgi, Istanbul, Turkey, Nov. 8
- Economics Department, University of Buckingham, Buckingham, England, Nov. 10
- Economics Department, University of Warwick, Coventry, England, Nov. 11
- Economics Department, Johannes Kepler University of Linz, Linz, Austria, Nov. 17
- Economics Department, University of Erfurt, Erfurt, Germany, Nov. 18
- Frankfurt School of Finance & Management, Frankfurt, Germany, Nov. 19
- Economics Department, Bar Ilan University, Tel Aviv, Israel, Nov. 22
- Voting Power and Procedures Group, Centre for Philosophy of Natural and Social Science, London School of Economics, London, England, Nov. 24
- Economics Department, Ecolé Polytechnique, Paris, France, Nov. 25
- Economics Department, University of Caen, Caen, France, Nov. 29
- Department of Political Science, University of Turku, Turku, Finland, Dec. 1
- Public Choice Society, Monterey, CA, Mar. 12-14
- Association for Public Economic Theory, Istanbul, Turkey, June 25-27
- Voting Power and Procedures Group at LSE, du Baffy, France, July 30 - Aug. 2
- Invited Speaker, Third International Workshop on Computational Social Choice, Duesseldorf, Germany, September 13-16, 2010
• American Section of the International Association for the Philosophy of Law and Social Philosophy, Rochester, New York, Oct. 22-24
• 11th Global Conference on Environmental Taxation, Bangkok, Thailand Nov. 3-5

**Steve Trost**
• “The Impact of Online Homework Completion on Exam Performance: A Large-Sample Experiment” (with Djavad Salehi-Isfahani), American Economic Association Annual Meeting in Atlanta (January 2010).

**Kwok Ping Tsang**
• Lehigh University, Bethlehem, Pennsylvania, Apr 2011
• Presentations at Scientific/Professional Conferences:
  • 19th Annual Symposium Society for Nonlinear Dynamics and Econometrics, Washington D.C., Mar 2011
  • Columbia-Tsinghua Conference: International Economics after the Crisis, Beijing, China, Jun-Jul 2010

**Zhou Yang**
• “Endogenous tort outcomes: A Dynamic analysis of physician treatment choice, litigation, and market entry/exit” (with Joao Macieira), presented in AEA, Denver, Jan. 2011

**EXTERNAL GRANTS**

**Sheryl Ball**
• (Continuing) NSF Economics Pedagogical Portal, Scott Simkins NCAT PI. Ball is 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](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.

**Suqin Ge**

**Djavad Salehi-Isfahani**
• (Continuing) Family Planning and Education of Rural Women in Iran, Gender and Economic Research for Policy Analysis (GERPA) Program, a Grant Facility of the World Bank. ($30,000)
• (New) Inequality of Opportunity in the Middle East, with Ragui Assaad and Nadia Belhaj Hassine, Economic Research Forum ($210,000).

Kwok Ping Tsang
• (New) Direct Grant from the Chinese University of Hong Kong: the principal investigator is my coauthor Tin Cheuk Leung from the Chinese University of Hong Kong, and I am listed as a researcher in the grant application. The lump-sum amount of $40000 HKD (a bit less than $5000 USD) is now being spent on hiring research assistants and purchasing new data for our various projects on the Hong Kong housing market.

DEPARTMENT SEMINARS AND CONFERENCES

The department continued its twice-a-week seminar series with some distinguished outside speakers as well as Economics faculty.

III. ENGAGEMENT

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

Richard Ashley

Eric Bahel
• World Congress of Environmental and Resource Economists (WCERE Montreal 2010).

Sheryl Ball
• Worked with Seong K. Mun and on topics related to health care economics. Ellen Green is doing her dissertation on healthcare economics, specifically her first paper is on doctor compensation schemes and the incentives they produce, and is also part of Dr. Mun’s work group with Carillion. Dr. Ball sees a number of potential new topics developing in 2011 along with opportunities for funding.
• Participated in the Workshop on Medical Home in June 2010 organized by Virginia Tech Arlington Innovation Center: Health Research (AIC:HR) which was convened a to focus on a Patient Centered Medical Home (PC-MH) health care delivery model.
• Presentation “Class Policies for an Easier Semester” at Graduate School GTA Phase 1 Workshop on 8/17/10.
• Participated in training for graduate honor system “facilitated discussion” program. The goal of this program is to resolve issues regarding students’ academic conduct without holding formal hearings.
• Participated in FDI Summer 2010 workshop.

Suqin Ge
• Was on research leave from Virginia Tech to work with Dennis T. Yang at the Chinese University of Hong Kong (CUHK), from which she received a research Fellowship during summer and fall of 2010. During he visit, she worked extensively on four research papers, and made great progress. She also started a new research project with Junsen Zhang, a professor at CUHK.

Gebremeskel Gebremariam
• Attended a one-day Conference on “Teaching Principles of Economics: An Economics Symposium” Sponsored by Florida Atlantic University and the Center for Economic Education in Conjunction with Worth publishers, February 4, 2011, Boca Raton, Florida.

Hans Haller
• Guest Professor at KIT Karlsruhe (June) and ETH Zurich (July).

Joao Macieira
• “Medical Home Workshop”, June 29 – July 1 2010, Washington DC. He made connections with the community interested in healthcare research involving Economics (e.g. U.S. Navy, Navy, Air Force) that may result in grants.

Djavad Salehi-Isfahani
• Training and Research Workshop on Inequality of Opportunity and Inequality of Outcomes: Income, Education and Health, June 21-23, 2010, Cairo, Egypt (with Ragui Assaad and Nadia Belhaj). About 20 participants from 12 countries attended the training workshop. Funded by ERF.
• Responded to numerous inquiries from the media, including from the NYT, Business Week, etc. He writes an Iran policy blog (djavad.wordpress.com), which has an average 60 daily viewings (40,000 since starting), and which his students read.
• Funded Ph.D. Candidate, Ali Hashemi on GDN Grant.

Nicolaus Tideman
• Attended the American Economic Association meetings, Atlanta, Jan. 3-5.
• Visited Hanoi June 28 to July 4, hoping to develop collaborations with Vietnamese scholars.
• Attended the annual meeting of the council of Georgist Organizations in Albany, New York, July 12-16 where he learned of an environmental economics conference that was valuable for me to attend.

Steve Trost
- Regularly exchanges ideas with colleagues both at Virginia Tech and elsewhere concerning large class teaching methods – especially the use of technology in the classroom.
- Has been very active in exploring ways to keep textbook prices down for students and have shared his ideas with faculty at other schools. Currently the prices our students pay for their Principles of Microeconomics books are far below the average thanks to my ongoing negotiations with the textbook companies.
- Attended the American Economic Association Conference in Atlanta, GA (January, 2010)
- Regularly attended seminars and lectures in the Department of Economics, the Department of Applied and Agricultural Economics, the Pamplin College of Business and various other departments.
- Participated in CIDER’s workshop on Large Class Pedagogy.

**Kwok Ping Tsang**
- Research Fellow, Hong Kong Institute for Monetary Research, December 2010
- Is cooperating on two projects with two graduate students. He is working with Shaojuan on a project about China’s TFP provincial growth; and with Atanu Rakshit using stock market volatility to predict exchange rate dynamics.

**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. Our most recent hire, Eric Bahel (hired Fall 2009) is a native and citizen of Cameroon. All of our incoming graduate students for Fall 2010 were international and one of the four were female. Additionally, a Latina female was enrolled in our 5-Year BA/MA program. Gebremeskal Gebremarium, a native of Eritrea, is an instructor for freshmen level economics classes.

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

**Dr. Sheryl Ball**
- Identified a Latina student doing strong work in economics who was participating in MAOP. She was interested in exploring whether graduate work in economics was right for her. Dr. Ball encouraged the student to take her graduate course and worked with her on course planning for the 5 year BA/MA program. When an opportunity arose, Dr. Ball encouraged our Graduate Director to offer her funding and a GTA position, despite the fact that funding master’s students is not our practice. Dr. Ball did independent research with the student Fall 2010 which should result in a publication. Dr. Ball helped her to get a job at Capital One (a very competitive placement for our students) until she is ready to attend graduate school and add to the very small number of Latina women academics.
- Is using data from ECON 3104, the department hurdle course, collected as part of a teaching experiment to study teaching techniques that are more successful with students who are underrepresented in economics.

**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 4074 – Undergraduate Labor Economics.

Dr. Steve Trost:
• As part of his current research, he is investigating differences in how men and women learn in 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
• Served on the Qualifying Exam Committee
• Served on the College Honorifics Committee
• Co-prepared Byron Tsang’s 2nd year review (with Professor Cothren)
• Served on Recruitment Committee and interviewed candidates at the AEA meetings
• Department Network Liaison
• Served as a Ph.D. Committee Co-Chair for:
  o Shahram Amini Moghadam
  o Zhiyuan Zheng
• Served as a Ph.D. Committee Member for:
  o Ahsan Ahsanuzzaman
  o Zhijie Hou
  o Niraj Poudyal
  o Beibei Zhu
  o Hengheng Chen
  o Sanaz Fesharaki
  o Shaojuan Liao
  o Atanu Rakshit
  o Paul Hallmann
  o Ravi Radhakrishnan
  o Alfredo Romero-Aguirre
• Refereed several journal article and two NSF proposals

Eric Bahel
• Served as a Ph.D. Committee Chair for Hoe Sang Chung
• Served as a Ph.D. Committee Co-Chair for Ming Yi
• Served on Recruitment Committee and interviewed candidates at the AEA meetings
• Referee for scholarly journals:
  o Social Choice and Welfare
  o European Journal of Operational Research
  o International Game Theory Review
• Chaired the session “Impacts of Biofuel Policies II” at the World Congress of Environmental and Resource Economists (WCERE 2010)

Sheryl Ball
• Gave a presentation at the August 2010 GTA workshop designed to familiarize new graduate students with best practices in writing a syllabus as well as Virginia Tech policies for conducting undergraduate courses.
• Undergraduate Advising
  o Honors Advising
  o Arbitration for dissatisfied students
  o Evaluation of all Economics Transfer credits
• Assist Nic Tideman with advising for the department’s 5-Year Bachelor’s / Master’s program
• Mentor for Joe Yang
• Graduate Advising
  o Chair for Ellen Green’s Ph.D. Committee
  o Ph.D. Committees – Nguyen, Romero-Aguirre, Ahsan Ahsanuzzaman, Aida Cruz-Folgar (Master’s student) and 1 Accounting student, 1 Engineering student, and 1 Management student
• Member of Virginia Tech Mediation Team
• Member of Undergraduate Honor System (Panelist)
• Member of Graduate Honor System (Panelist)
• Facilitator for Graduate Honor System
• ECON representative to the College of Science Diversity Committee
• ECON representative to the College of Science Cluster Committee
• Referee for American Economic Review, RESTUD, JEBO, and others.

Richard Cothren
• COS Curriculum Committee (Fall 2010)
• Departmental Undergraduate Curriculum Committee
• Departmental Qualifying Exam Committee
• Faculty Senate
• University Athletics Committee (COS representative – Spring 2010)
• Member (Spring 2010) of the Academic Integrity Committee (a subcommittee of the University Athletics Committee charged with evaluating *Student Athlete Academic Support Services (SAASS)*). Service on this subcommittee continued in Fall 2010.

• Serve as advisory committee chair for Ravishekar Radharishnan.
Suqin Ge

- Served on Graduate Program Committee – actively engaged in the admission of new graduate students from China. In February 2010, 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.
- Served on the College of Science Curriculum Committee – attended all meetings and performed regular duties
- Invited and hosted Lance Lochner from Department of Economics, University of Western Ontario to give a seminar on “Post-Secondary Attendance by Parental Income: A Cananda-U.S. Comparison” (April 2010).
- Served as advisory chair for:
  - Hengheng Chen (4th year student)
  - Beibei Zhu (3rd year student)
- Served as a Ph.D. Committee Member for:
  - Ali Hashemi (6th year student)
  - Paul Hallman (5th year student)
  - Binh Nguyen (successfully defended Spring 2010)
  - Golnaz Taghvatalab (5th year student)
  - Zhiyuan Zheng (5th year student)
  - Shaojuan Liao (4th year student)
  - Ellen Green (4th year student)
  - Kristen Capogrossi (AAEC, 3rd year student)
  - Oda Hisaya
- Wrote reference letter for Sally Brady to Antitrust Division of the Department of Justice, George Mason University, and LSE.
- Referee for *European Economic Review* and *China Economic Review*

Hans Haller

- Department Head
- Referee for *Economics Letters, Economic Theory, and Mathematical Finance*
- Principal Advisor of Doctoral Students:
  - Prasun Bhattacharjee (Co-Chair)
  - Jongwon Shin (Co-Chair)
  - Ming Yi (Co-Chair)
• Dissertation Committee Member for:
  o Zhiyuan “Jason” Zheng
  o Hengheng Chen
  o Ravishekar Radhakrishnan
  o Niraj Poudyal
  o Xin Zeng (ISE)

Joao Macieira
• Member of departmental Recruiting Committee – reviewed applications from job candidates and participated in job interviews
• Member of Virginia Tech’s Committee for Outreach and International Affairs (COIA). Participated in meetings and voted on prize and award assignments.
• Dissertation Committee Co-Chair for:
  o Prasun Bhattacharjee – supervision of his empirical work on multimarket contact in the airline industry.
  o Jongwon Shin - supervision of his theoretical research on network formation models in two-sided markets
• Dissertation Committee Member for:
  o Ming Yi – supervision of his theoretical work of equilibria in applied global games
  o Ellen Green - supervision of her computational simulation work towards experimental economics research on physician compensation
  o Sanaz Fesharaki - supervision of econometric work on the dependence of political liberty on natural resources.
• Referee for NSF, the *International Game Theory Review* and the *Journal of Industrial Economics*

Djavad Salehi-Isfahani
• Served on Departmental Graduate Program Committee
• Five year review of Dean Lay Nam Chang
• Editorial Board Member:
  o *Middle East Development Journal*
  o *Journal of Poverty Alleviation and International Development*
• Advisory Board Member for Economic Research Forum
• Reviewed for *Journal of Economic Behavior and Organization*
• Ph.D. Dissertation Committee member:
  o Hengheng Chen
  o Shaojuan Liao
  o Beibei Zhu
• Ph.D. Dissertation Committee Chair
  o Paul Hallmann
  o Golnaz Taghvatalab
  o Ali Hashemi
• Graduate advisor to Sara Taghvatalab
Aris Spanos
- Served on the College of Science Promotion & Tenure Committee
- Served on Departmental Executive Committee
- Served on Graduate Program Committee
- Seminar Series Coordinator
- Graduate Committee Chair for Alfredo Romero-Aguirre, Niraj Poudyal, Ahsan Zaman, Zhijie Hou

Nic Tideman
- Served as the Economics representative to the College of Science Cluster Committee – Spring 2010
- Advise students considering the 5-year BA/MA program.
- Advise students about graduate school and jobs when they come to me.
- Write letters of recommendation for graduate school and jobs when asked.
- Supervised the dissertation research of Binh Nguyen, who defended his dissertation in spring 2010.
- Is supervising the dissertation research of Sanaz Fesharaki, who was admitted to candidacy in fall 2010.
- Served as advisor for Yonghui Zhang, who was a visiting scholar here until she became a Ph.D. student.
- Serves as advisor to James Green-Armytage, a Ph.D. student at UC Santa Barbara who plans to defend his dissertation in the near future.
- Mentor for Dr. Suqin Ge
- Editor of *Voting Matters* from August 2010

Steve Trost
- Undergraduate Advising – As a freshman instructor Dr. Trost has a lot of opportunities to talk to students about the economics major and careers in economics.
- Graduate Advising
  - Member of Master’s thesis committee for Mehmet Altin (graduate student in hospitality and Tourism Management)
  - As the coordinator for all the first-year graduate teaching assistants, mentors graduate students on 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, ensures 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.

- As the faculty coordinator for the Economics Tutoring Center (ETC), he is responsible for staffing the center with graduate students throughout the semester as well as working with those graduate students to provide the best service possible to the undergraduate students who use the center.
- As the Career Advisor for the Department of Economics, he is involved with University-wide career-related events and also counsel students on potential careers in economics and related fields.
- As an early adopter of in-class response systems (iClickers in this case), he has discussed his use of iClickers with several other professors who are considering adopting the technology or are just curious.
- In addition to attending the workshop on large class teaching, he has offered his services to CIDER (Center for Instructional Development and Education Research) in their effort to develop a “Center for Large Class Pedagogy” here at Virginia Tech

Kwok Ping Tsang

- Served on the Qualifying Exam Committee
- Served as Advisory Chair for:
  - Atanu Rakshit
  - Shaojuan Liao
- Served as Advisory Committee Member for:
  - Ahsanuzzaman
  - Shahram Amini Moghadam
  - Zhijie “Jerry” Hou
  - Niraj Poudyayal
  - Tiefeng Qian
  - Sara Taghvatalab

Zhou 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
- Served on the Economics Department Junior Recruitment Committee.
- Provided recommendation letter and advice on Graduate Schools for a student in Industry Structure course.
• Served a member on the Advisory Committee for:
  o Prasun Bhattacharjee
  o Paul Hallmann
  o Golnaz Taghvatalab
  o Jongwon Shin
  o Ming Yi
• Volunteered as a Marshall in the Graduate Commencement Ceremony in Spring 2010
• Assisted Dr. Suqin Ge review application materials of Chinese applicants

VI. HONORS & AWARDS

• Dr. Suqin Ge was awarded a Post-Doctoral Research Fellowship, Chinese University of Hong Kong, 2010.
• Dr. Joao Macieira received a “Thank a Teacher” notification from The Center for Instructional Development and Educational Research (CIDER)
• Dr. Djavad Salehi-Isfahani, received the College of Science Outreach Award
• Dr. Steve Trost, Named “Principles Teacher of the Year” for 2009-2010 by the Department of Economics
• Dr. Zhou Yang, received the “2009-2010 Undergraduate Teacher of the Year” award from the Department of Economics.

VII. DEPARTMENTAL ADMINISTRATIVE ACTIVITIES

FACULTY RECRUITMENT AND ADDITIONS

The department committed considerable thought and energy into the recruitment of new 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, where we found ourselves in dire need of a second expert after the imminent departure of Dr. Gilles. Last year’s retirement of Dr. Kats caused a further need to hire in economic theory, a traditional strength of the department and a core element of both undergraduate and graduate education in economics. 2008-09 recruitment efforts resulted in the hiring of Dr. Eric Bahel, University of Montreal. The recent 2010-11 recruitment efforts lead to the hiring of Adam Dominiak, University of Heidelberg, Germany.

FACULTY DEPARTURES

The gains in new faculty have been offset by departures of senior faculty. Dr. Dennis Yang was on study-research leave during Spring 2007 and unpaid leave during the academic year 2008-09. He is
now working at the Chinese University of Hong Kong. Dr. Robert Gilles now holds a chair at Queen’s University Belfast. Dr. Amoz Kats retired effective June 1, 2010.

**STAFF CHANGES**

Since Chris LaPlante’s departure as our undergraduate advisor, we participated in an “experiment” with the Dean’s office where each entity had half of Gary Kinder, an experienced advisor and instructor. Gary spent half of each day doing economics advising and half of each day teaching a course for new transfer students in the Dean’s office related to a new SCHEV initiated program. We hired Lisa Jones to work half time in the department office. Amy Stanford did undergraduate advising in the afternoon and we shifted some of the undergraduate and graduate advisor’s administrative duties to Lisa.

We consider this to have been an unsuccessful experiment. We learned that it is nearly impossible to share a staff member with another organization, since situations where both entities need that person’s time for mission critical projects are frequent. There were also a number of difficulties related to maintaining confidentiality during advising sessions, records management and task coordination that might have been worked out given more office space and time.

In 2011 Lisa Jones will be working for HNFE and Gary Kinder will be full time in COS Dean’s Office.

**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 have been 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 two recent hires have expertise in economic theory. Dr. Eric Bahel, hired in 2009, is a game theorist with interests in environmental and resource economics. Adam Dominiak, who starts in August 2011, has a combined interest in decision theory and experimental research. Yet the Economics Department remains below the critical size necessary to provide adequate 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 four most critical tasks for the coming years: **recruitment, retention, recruitment, retention.** We need strength in scholarship and instruction. Giving 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. We consider the national search for a future department head an important and promising step forward.