



COLLEGE OF ARTS AND SCIENCES

Department of Economics

Self- Study

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I. MISSION AND HISTORY

A. Mission

“Educating Minds and Hearts to Change the World”

Founded in 1855, the University of San Francisco has declared its commitment to the highest standards of learning in the American, Catholic, Jesuit tradition. Central to its mission of preparing leaders in service, the University seeks to offer quality education. It fosters close student-teacher relationships with a special concern for the entire life of the student - intellectual, spiritual, moral, social, psychological, and physical. The University seeks to promote high standards of academic excellence and prepares leaders who will work for justice for all people.

Economics is a liberal arts discipline. It seeks to develop an uncommon way of thinking about everyday life, about business, about national politics, and about international relations. Economics concerns itself with understanding of how to better use society's scarce resources, how technology and markets have improved our standard of living, why unemployment, inequality, and poverty can exist in the midst of plenty, and many other pressing questions for society. In this regard, Economics places great importance on the roles of economic and political institutions in fostering the efficient allocation of society's scarce resources and a just distribution of national income.

The Economics Department offers structured undergraduate and graduate programs that train our students in the analytical models and quantitative tools of the economics profession. The discipline of economics emphasizes the role of abstraction and analysis, combined with a heavily quantitative component to validate hypotheses, as a valuable way for understanding the structure of society and the economy. It is one reason why the study of economics is excellent preparation for future leaders in business, politics, the law, or government.

Our department's perspective is international and reflects the background of our faculty. Our strengths lie in two main areas – international development and financial economics. The International Development emphasis explicitly focuses on education toward positive change in poor countries. The Financial Economics emphasis seeks to produce well-trained, ethically aware graduates who contribute to the financial infrastructure in San Francisco and around the world. Our undergraduate program provides students with the ability to focus their studies on one of these areas, while gaining training in the major fundamental areas of economics. Each of our graduate programs also builds on these strengths, with curricula structured to produce students with excellent quantitative and analytical skills along with the ability to apply them to practical situations and problems.

The Economics Department is a department that has strong, sometimes disparate, opinions about the issues we face. We have day-long retreats at least once a semester to talk these issues out and arrive at a consensus on the directions the Department should take. We are a Department where everyone's opinion is solicited, listened to, and valued. We have faculty who are excited about their research, their teaching, and their academic programs. The results are Economics courses and programs that are relevant, attract students, and fulfill the University's mission to train leaders to change the world.

B. History

The Economics undergraduate program was extensively revised, restructured and refocused as a result of the previous Economics Program Review in 1995.

The main focus of the Reviewers' report was on our undergraduate economics program and the structure of that curriculum. Their primary conclusions were that, with the addition of new courses and additional faculty, the Economics Department was well placed to offer a program that was more tightly structured, more analytically rigorous, and more intellectually satisfying than the current curriculum.

We agreed with the majority of their recommendations and revised the undergraduate curriculum along the suggested lines. We also developed the 5-year joint BA-MA program to attract more majors, as well as advertising the benefits of the Economics Minor to Business School majors. The number of undergraduate majors is stable and has high quality undergraduate students who go on to Professional schools, government and business. We are also very successful in attracting Business majors into our Economics Minor program, allowing us to expand the number of upper-division elective courses we offer.

One area in which we strongly disagreed with the 1995 Program Reviewers, however, was with their conclusion that the Masters in Economics program should be dropped until undergraduate program goals had been achieved. We believed that an intellectually challenging undergraduate program was complemented, rather than hurt, by successful Masters in Economics programs.

Five years ago, the main problem facing the Department was a moribund Masters program. The Economics Department graduate programs have undergone substantial changes in the past five years. The Department took three initiatives to address the problems with its graduate program:

- 1) Developed a five-year joint BA-MA program for Economics undergraduate majors to attract more of the highest quality undergraduates into the Economics major.
- 2) Developed a new program, the Masters in International and Development Economics (IDEC hereafter) that focused on quantitative training for students wanting to do policy-oriented analysis at NGO's and international development agencies.
- 3) Developed a new program, the Masters of Science in Financial Analysis (MSFA hereafter) targeted to students working full-time in the financial sector who want to obtain a graduate degree and master the knowledge associated with the Chartered Financial Analyst (CFA[®])s designation.

The restructuring has been remarkably successful. The MA IDEC program attracts students from all over the world, trains them in quantitative development techniques and places them at internationally known agencies and PhD programs. The joint BA-MA program attracts a steady stream of excellent undergraduates, many of whom continue on to Ph.D. programs. The MSFA program has expanded from its initial 2-year Professional program, adding a 1-year, full-time Accelerated program for well-qualified international students. The MSFA program recently became one of 20 Academic Program Partners with the CFA Institute, joining an elite group of universities including Oxford, London Business School, HEC, Hong Kong-UST, Boston University and UNC-Chapel Hill.

The success of these new graduate programs has led to an inflow of resources into the department that helps support all of the Department's programs and would not have been available without the new programs. The Department has hired four new full-time, tenure-track faculty, and are currently conducting searches for two more tenure-track faculty. The Department has received substantial new funding for; marketing our graduate programs, supporting Masters students and their research, and bringing in seminar speakers. The Department was recently able to hire a second administrative person to support the needs of our graduate programs.

The Economics Department has a close relationship as a "service department" to the Masagung School of Business for their undergraduate Business major. All undergraduate business majors are required to take Principles of Microeconomics and Principles of Macroeconomics courses offered by the Economics Department. This requires the Department to offer between 9 and 12 course sections of Principles Economics courses (Micro and Macro) each semester. A large number of upper-division economics courses are also either required, or satisfy, business school requirement for majors in International Business or Finance. The Economics Department has many Business School students who pursue a Minor in Economics as a result.

The Economics Department was active in the development of the new interdepartmental International Studies major. This program has attracted many new majors and one of its major foundation courses is the "Global Economy" taught by the Economics Department. International Studies majors also choose an area of emphasis and one of the possible choices is a 16-unit "Functional Track" in International Economics. The department is actively represented on the steering committee for this new major. The rapid growth in International Studies major enrollments has meant the demand for "Global Economy" course has risen dramatically to 2+ course sections per semester for the foreseeable future.

The Economics department is interested in contributing to programs in the areas of Environmental Science (undergraduate) and Environmental Management (graduate). The department offer courses in the areas of Natural Resource Economics and Environmental Economics to meet the interest of many of the MA-IDEDEC students. We have also just hired a tenure-track faculty member (Jennifer Alix-Garcia) who is expected to make major research and teaching contributions in these areas. We hope to develop collaborative course and programs with the Environmental Science department in the future.

Outside of these areas, however, the Economics Department has very little formal interaction with other departments or Colleges at the University. The MS in Financial Analysis program is nominally a joint program with the Business School, and was approved as such, but the Business School has not taken an active role or interest in the program since its beginning.

C. Economics Enrollment Trends

The Economics Department has experienced significant growth in almost all of its major programs over the past six years. Table 1 sets out the headcount for student majors by program type.

The BA ECON row presents the number of Economics Undergraduate majors in the traditional 4 year BA Economics program. We do not have breakouts with respect to concentration areas for these students. To capture the true number of majors, one needs to take into account the five-year joint BA-MA program in Economics introduced in 2002 (Rows BA ECNF and BA IDEF). Students move from the BA portion of their program to the MA portion (Rows MA ECNF and MA IDEF) upon completion of 128 undergraduate units.

Aggregating the first three rows in Table 1 shows the total number of undergraduate majors at any point in time. The Economics Department, by this measure has almost doubled the number of undergraduate majors from 35 in Fall 2000 to 64 in Spring 2007. Many of these additional majors, more than 20% of the total undergraduate majors, are in the joint BA-MA program which indicates that they have GPA's in Economics that exceed 3.5.

Undergraduate majors are only a small portion of the undergraduate students served by the Economics Department. Table 2 presents student credit hours (SCH's) by lower and upper division courses over the period Fall 2000 to Fall 2006. Lower division SCH's are driven primarily by demand from the business school for Principles of Economics course sections. Total annual SCH's have increased by approximately 50% over the period. We expect significant year-on-year growth to continue, primarily from increased service sections of Global Economies for the new, and rapidly growing, International Studies program.

Upper-division SCH's also grew about 50% over the period. This is partly reflects the increase in Economic major headcounts but it also reflects an increased demand for the Economics Minor from students majoring in Finance or International Business.

TABLE 1: ECONOMICS MAJOR STUDENT NUMBERS

Year/Term	2000	2001	2001	2002	2002	2003	2003	2004	2004	2005	2005	2006	2006	2007
	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring
Degree														
BA ECON	35	33	45	56	48	41	43	42	51	58	57	53	55	50
BA ECNF				1	2	5	4	5	6	6	10	11	10	10
BA IDEF					2	3	3	4	3	3	5	2	5	4
MA ECNF							2	1	1	2	1	0	3	3
MA IDEF						2	1	0	0	0	1	2	0	0
MA ECON	35	30	26	18	23	18	18	19	19	12	27	22	33	28
MA IDEC			1	1	7	9	26	25	34	29	39	36	43	41
MSFA							14	13	29	26	43	40	51	45
MSFA AFA													26	23
TOTAL	70	63	72	76	82	78	111	109	143	136	183	166	200	181

TABLE 2: ECONOMICS SCH'S BY SEMESTER

Year/Term	2000	2001	2001	2002	2002	2003	2003	2004	2004	2005	2005	2006	2006
	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall
UG LOWER	1248	885	1260	1008	1223	858	1284	1306	1425	1455	1946	1421	1646
UG UPPER	277	327	337	432	346	516	306	456	374	517	306	587	502
MA	249	211	240	231	240	279	345	372	404	339	438	516	563
MSFA							126	104	232	234	400	357	766
TOTAL	1774	1423	1837	1671	1809	1653	2061	2238	2435	2545	3090	2881	3477

At the Master's level the growth is even more striking, albeit as the result of new programs, rather than the expansion of an existing program. The traditional Masters program (MA ECON in Table 1) fluctuated down through 2004 but has moved back towards the level of about 30 students that was the norm in the late 1990's. The growth in the MA IDEC program is striking. This program began with 7 students in its first year and has grown to 41 students in the most recent semester. It is the MA IDEC program the accounts for most of the growth in SCH's observed in the MA row of Table 2.

The MS in Financial Analysis (MSFA) has also experienced striking growth since its inception in the fall of 2003. The MSFA program accounts for as many Masters students as the traditional MA and IDEC combined. It also generates a larger number of SCH's than the MA programs because the cohort nature of the program dictates that all students carry the same course load each semester.

While the economics undergraduate and graduate SCH's and student numbers have increased dramatically over the past six years, the level of full-time faculty in the Economics Department has only recently begun to increase. Up until Academic year 2005-2006, the number of tenured, tenure-track and Full-time Term faculty had remained constant at 9 FTE's after taking into account faculty sabbaticals.

While five new tenure track faculty were added over the period, the Economics had three faculty leave during the same period (retirement, resignation, tenure denial), resulting in a net addition of two faculty despite conducting one or more faculty searches each year.

Undergraduate and MA in Economics courses are taught primarily with tenured, tenure-track or Full-time term faculty. Adjuncts are used sparingly, either to teach some of the large number of Principles sections or to conduct specialized upper-division/graduate courses. The Department currently has 10 tenured or tenure-track faculty and two 3-year term faculty. Each year the department has 1-2 faculty on sabbatical or leave. The teaching load for a tenure-track faculty member is 2-2-2-3 courses over a two-year period. Term appointments teach 3 courses each semester.

At current staffing levels, the full-time faculty pool allows us to support between 22 and 26 course sections without using adjunct instructors. The Principles sections for the Business School require 10+ sections each semester, International studies requires 2 sections each semester and the core MA courses require 3 sections per semester for a total of 15+ course sections. This leaves less room than we would like for upper-division electives and MA electives to support our sizable undergraduate major and graduate program.

The Economics Department feels that a smaller number of larger Principles courses for the Business School would be a more efficient use of our faculty resources and allow us to strengthen and expand our upper-division and graduate elective courses. The College is unwilling, however, to consider an increase teaching credit for large section courses and the Economics faculty are unwilling to take on the larger administrative and grading burden of large courses without additional teaching credit.

The MS in Financial Analysis program provides a contrast to the other programs in the Department. With its emphasis on blending analytical skills with practical knowledge and experience, the MSFA benefits from using financial market practitioners and expert to deliver a significant percentage of the curriculum. The Director of the MSFA programs, Prof. John Veitch, is only one dedicated tenure faculty position associated with the MSFA programs. Full-time Economics faculty who teach in the MSFA program generally do so as “overload”. The 2-unit, 7-week nature of the courses make this overload teaching attractive despite its relatively low pay (high for USF, but low relative to UC Berkeley). Adjunct faculty all work as financial practitioners and are CFA[®] charterholders. The majority of these adjunct faculty members have past experience teaching in the local CFA[®] Society’s Exam Review program prior to teaching in the MSFA. Most of the adjuncts teach for the visibility it affords to them and their firms rather than the pay. Another attraction of teaching in the San Francisco MSFA programs is that these faculty often teach in the international MSFA programs, Bangkok in the past and Mumbai and perhaps Beijing in the future. The prospect of teaching a course several times and receiving a paid flight to Asia or India is very attractive, and it allows us to hire adjuncts who are experts in their fields and strong teachers.

To summarize, Economics Department headcounts and Student Credit Hours have expanded dramatically over the past six years. The number of full-time faculty members in the Economics has also expanded, but far less than student numbers would indicate. Finally, the administrative and budgetary support received by the Economics Department has only kept pace with this growth because of special resources that became available as the result of the two new graduate programs.

II. ECONOMICS CURRICULUM

A. Learning Outcomes

Undergraduate (B.A.) Economics Program

The undergraduate Economics major should be able to:

1. **Employ economic reasoning.** Specifically, to meaningfully evaluate costs and benefits in the allocation of scarce resources, and to understand the application of scientific method (theory, model and data analysis) to understanding individual and aggregate economic behavior.
2. **Utilize economic terminology.** Specifically, to develop a command of the language of macro and microeconomics, including the use of simple algebraic models, economic statistics, and graphical representations of economic relationships, especially in the applied areas of finance, international, and development economics.
3. **Have knowledge of core economic insights.** Specifically, in the case of microeconomics, to understand the supply and demand framework; the utility maximization principle and consumer choice; marginal production and cost analysis, the impact of market structure on equilibrium price and quantity, and the causes and consequences of market failure. In the case of macroeconomics, students should comprehend the nature of aggregate relationships between output, prices, and employment, and the impacts of fiscal and monetary policy on economic growth.
4. **Be familiar with fundamental economic institutions.** Specifically, to comprehend the roles and functions of firms, households, and the public sector in a market economy.
5. **Understand the most important economic policy options.** Specifically, to be able to use economic theory and methods to evaluate public policy, in areas such as taxation, regulation of firms, monetary and fiscal policy, development policies and programs, international finance, and international trade.

B. Undergraduate Program Overview

The Economics Undergraduate major program is highly structured relative to many other majors at USF. The program requires a set of introductory courses in microeconomics and macroeconomics, followed by intermediate courses in the same areas. At this time, students take the Economic Methods course that provides the quantitative tools for the intermediate courses prior to, or concurrent with, Intermediate Microeconomics in the Fall Semester of their sophomore year. This is followed by the Econometrics course in their junior or senior year. In their junior year, undergraduate majors also begin concentrating on their area of emphasis which involves a sequence of two required courses along with two elective courses.

Table 1 contains a summary of the required courses in each of the three undergraduate concentration areas. Exhibit 1 in the Appendix presents the advised sequencing for entering freshman students regarding major courses. Note that most upper-division courses carry pre-requisites that enforce this sequencing. There are a maximum of 4 lower division courses (16 units out of 44 total) allowed for majors. Three of these lower division courses are required core courses. All required Economics undergraduate courses, both core and concentration, are offered regularly on a fixed schedule across semesters.

TABLE 3: ECONOMICS UNDERGRAD MAJOR Requirements

REQUIRED COURSES (24 UNITS) ALL CONCENTRATIONS			SEQUENCE
ECON 111 – Principles of Microeconomics			Year 1
ECON 112 – Principles of Macroeconomics			Year 1
ECON 120 – Economic Methods			Fall Year 1 or 2
ECON 311 – Intermediate Microeconomics			Fall Year 2
ECON 312 – Intermediate Macroeconomics			Spring Year 2
ECON 320 – Econometrics			Spring Year 3 or 4
GENERAL ELECTIVE (4 UNITS)			
ECON xxx (must be 200-level or higher)			Year 2+
CONCENTRATIONS (16 units):			SEQUENCE
FINANCIAL ANALYSIS	INTERNATIONAL	DEVELOPMENT	
ECON 350 – Money & Banking	ECON 370 – International Economics	ECON 372 – Development Economics	Fall Year 3
ECON 451 – Monetary Economics	ECON 471 – International Finance	ECON 473 or 474 – Development Micro or Macro	Spring Year 3
ELECTIVES	ELECTIVES	ELECTIVES	
ECON 3xx (300-level or higher)	ECON 3xx (300-level or higher)	ECON 3xx (300-level or higher)	Year 3 or 4
ECON 4xx (must be 400-level)	ECON-4xx (must be 400-level)	ECON 4xx (must be 400-level)	Year 3 or 4

Undergraduate Economics Courses have a default value of 4 units per course. Business School Principles of Microeconomics and Macroeconomics are offered in 3 unit versions. The Economics Department has recently begun to offer two-unit courses at the upper-division level to enrich the undergraduate offerings. These are short courses which can be completed within half a semester. One of the 2-unit courses offered has been a “Model Federal Reserve” course, taught in conjunction with the Federal Reserve Bank of San Francisco which culminated in a simulated Federal Reserve Board meeting. Another planned two-unit course is on Great Economists. The idea is to take one or several Economic Nobel Price winners and introduce students to these economists by reading their major papers.

Students usually have no problems enrolling in the courses they need to meet the Economics Major graduation requirements. Core courses are offered on a regular schedule as are the majority of concentration electives. There are exceptions to this rule; however, as some specialty courses may not be taught if the faculty member responsible is on leave or, more frequently, the course does not receive enough enrollment for it to be viable.

Excellent students, particularly ones wanting to go on to graduate work, are directed to the 5-Year Joint BA/MA program. Under this program, Economics majors with high GPA’s can pursue both an Undergraduate BA in Economics and then, with an additional year’s work, earn an MA in Economics. This program involves a significant number of Math courses in addition to the undergraduate and Graduate Economics courses. Students in this program are better prepared than most US students for the mathematical rigor of a PhD program in Economics.

TABLE 4: ECONOMICS UNDERGRAD MINOR REQUIREMENTS

REQUIRED COURSES (8 UNITS)
ECON 111 – Principles of Microeconomics
ECON 112 – Principles of Macroeconomics
REQUIRED COURSES (12 UNITS)
3 ECON 3xx or higher courses. Recommend at least one of:
ECON 311 – Intermediate Microeconomics
ECON 312 – Intermediate Macroeconomics

Students are encouraged to generate an internship opportunity in their junior or senior year. In the Financial Economics concentration, an internship at a San Francisco financial firm provides them with practical experience in their area of interest and establishes networks that make finding a job in finance much easier upon graduation. Undergraduates may also have the opportunity to work with their professors on research projects, but again this depends upon individual student interests and initiative.

Principles of Microeconomics and Macroeconomics tend to be large classes, up to 65 students, that consist primarily of Business majors. Economics majors take the 4 unit Principles classes, but even these have 40+ students and are populated primarily by Business majors. At the upper division level, classes tend to be heavily Economics majors, with a small, but significant number of undergraduate Finance or International Business majors who are often doing an Economics Minor. Many of the upper-division electives have been revised over the past five years as newly hired faculty have moved into these courses. Exhibit 3 contains a list of courses that have been revised or are new offerings in the past five years.

C. Regular Masters Program (M.A. in Economics)

– Director, Prof. Man lui Lau

The Masters in Economics student should be able to:

1. **Understand modern micro and macroeconomic theories and their applications to contemporary economic problems**, including: decision-making in conditions of risk and uncertainty, and the role of information; open economy macroeconomics and its application to exchange rate movements and financial crises; efficiency wage models, real business cycles; and endogenous growth.
2. **Conduct original quantitative empirical analysis of a relevant economic problem**. Specifically, students should be able to express an economic theory in terms of an observable model; formulate a strategy for collecting the data necessary to estimate a well-specified empirical model; determine the appropriate estimation method for the empirical model; utilize statistical software to conduct such estimation; and meaningfully interpret the results.
3. **Carry out independent economic research**, including development of an original research question, compilation of a professional literature review, specification of a theoretical and testable empirical model; econometric analysis; and effective communication of the study's principal findings and policy implications.

The Masters Program in Economics primarily serves two student audiences. The first group consists of domestic students working full-time who want to acquire a Masters degree as a way to either improve their job or go on to a Ph.D. program in Economics. The second group is international students who come to USF to do a Masters degree, often in Financial or International Economics, and then return home. These students generally go back to jobs in business or government. Some of them apply for Ph.D. programs in the United States at the end of their Masters degree.

TABLE 5: MA ECONOMICS Applications

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>
To Feb 22	60	38	27	22	30	
Full Year		74	69	55	69	50
Enrolled						

Recruiting for this program happens through Graduate Program events sponsored by USF and through the USF website. There is little or no program-specific advertising and no advertising budget is allocated to this legacy program.

The Masters program consists of 11 courses, 5 of which are required core courses. Of the remaining six courses, four can be used to achieve a concentration in Financial Economics, International Economics or Development Economics. Core courses are offered in sequence once per year as are the required concentration courses. Elective courses are offered according to demand. For some courses this means once a year in a regular sequence while other courses are offered once every three semesters. In general courses that have not been offered for two or more years are considered for removal from the course inventory and catalog.

TABLE 6: MA-ECONOMICS Requirements

REQUIRED COURSES (15 UNITS) ALL CONCENTRATIONS			SEQUENCE
ECON 601 – Graduate Microeconomics	All MA courses are 3-units		Fall Year 1
ECON 615 – Mathematical Economics I			Fall Year 1
ECON 602 – Graduate Macroeconomics			Spring Year 1
ECON 620 – Graduate Econometrics			Spring Year 1
ECON 690 – Graduate Seminar			Year 2
CONCENTRATIONS (18 units):			
FINANCIAL ECONOMICS	INTERNATIONAL	DEVELOPMENT	
ECON 650 – Money & Banking	ECON 670 – International Economics	ECON 672 – Development Economics	Fall Year 1 or 2
ECON 651 – Monetary Economics	ECON 671 – International Finance	ECON 673 or 674 – Development Micro or Macro	Fall Year 2
ELECTIVES (4 COURSES)	ELECTIVES (4 COURSES)	ELECTIVES (4 COURSES)	
ECON 6xx or BUS 6xx	ECON 6xx	ECON 6xx	

All Graduate MA Economics courses have a value of 3 units per course.

Scheduling issues arise in the Masters program because it is taught in the evenings to meet the needs of part-time students who may be working. This means that certain courses a student may want to take conflict with one another as we routinely offer 8 or more graduate classes on the four nights of the week.

Space is at such a premium at USF that faculty offices are barely adequate, so it is no surprise that Masters students lack adequate resources in many aspects of the program. We have a small dedicated computer lab (8 computers) but no graduate student office or study space. Graduate students must provide all their own supplies, photocopying, etc.

The Department does provide opportunities for scholarships in the form of partial tuition remission to excellent students. We also have opportunities for Tutorial Assistants and Research Assistants that are open to excellent graduate students. These opportunities alone are not sufficient for a student to support

themselves in the Masters program. Surprisingly, even without financial aid our retention rate for graduate students is high and the quality of students today is significantly above those five years ago. Graduate students who fail to finish the program usually do so because they cannot meet the minimum GPA requirement of 3.0.

Two new Masters programs, MA IDEC and MSFA, have brought substantial new resources into the Economics Department to support graduate students. Both programs have increased the amount of Tutorial Assistant funds available to Economics graduate students and the Department as a whole. The MA IDEC program also brought in new sources of tuition remission scholarships for international students from developing countries. In addition, the IDEC program has a budget to support MA IDEC students in their fieldwork studies projects that are required by the program. The success of these graduate programs has also led to two recent donations to support an expanded lecture speaker series that primarily benefits faculty and graduate students.

D. MA Program in International and Development Economics (IDEC)

– Directors, Profs. W. Bruce Wydick and Elizabeth Katz

The USF Masters Program in International and Development Economics was launched in 2002. The Economics Department had long offered a traditional Masters in Economics degree; the idea of the new program was to specialize in fields relating to international trade, finance, and development, and to place much greater emphasis on empirical skills, including research fieldwork. In the world of graduate programs in Economics, this makes IDEC quite unique: students get all the rigorous training in economic theory, math, and statistics as a conventional curriculum, with the added benefit of first-hand experience with Economics research methods through an empirical Masters Research Project. In addition to a summer fieldwork requirement, the program also differs from the traditional MA by obliging students to take a semester-long Field Research Methods class, as well as a second semester of Applied Econometrics. Table 8 below provides a list of IDEC course requirements.

The MA IDEC student should be able to:

1. **Understand the application of modern micro and macroeconomic theory to the key problems of economic development, trade and finance**, including the analysis of market failures, poverty traps, the structure of incentives, the use of game theory to model institutional behavior, and open economy models of trade, models of natural resource use, migration, foreign direct investment, financial markets, and exchange rate determination.
2. **Design and carry out a fieldwork-based research project**, including formation of an original research question, planning of an effective methodology, development of field protocols / survey instruments, and data collection in a developing or transition country.
3. **Conduct original quantitative empirical analysis of an international or development economics problem**. Specifically, students should be able to understand mathematical models that express formal economic theory, especially related to international and development issues; determine the appropriate estimation method for an empirical model; utilize statistical software to conduct such estimation; and meaningfully interpret the results.
4. **Effectively communicate research findings both in writing and orally**, including compilation of a professional literature review, clear presentation of theoretical and empirical models, econometric analysis, and the relevance of the study's principal findings and implications for international and/or economic development theory and policy.

In addition to individual course assessments, IDEC students are assessed on the quality of their Masters Projects in several complementary ways:

1. Participation in the capstone Graduate Seminar, in which students present and critique one another's theses-in-progress during their final semester;
2. Intensive individual supervision by a Faculty Advisor; and
3. Oral defense of the completed Project to the entire IDEC faculty.

Faculty advisors are responsible for the final assessment of the Project, and issue a "Pass," "Pass with Revisions," or "Fail" to the student upon completion of the oral defense.

Table 7: IDEC Admissions Statistics, 2002 - 2006

Academic Year	No. Applications	No. Admissions	No. Enrollments
2002-2003	20	17	9
2003-2004	92	51	16
2004-2005	101	61	17
2005-2006	85	51	22
2006-2007	96	36	17
Total	394	216	81

IDEC is currently in its fifth year. During this time, it has grown and matured from a small, innovative program into a solid and dynamic component of the Economics Department. Some of the most important developments since its inception have been:

- (1) **Increased selectivity of admissions.** As the IDEC program gains in reputation, the Program Directors have been able to choose more carefully among applicants. While approximately 85% of the first group of applicants in 2002-03 were admitted, this went down to between 55-60% between 2003 and 2005, and to 37.5% for the most recent cohort for 2006-07. Enrollment yields relative to admissions, meanwhile, are up from approximately 30% to close to 50%. As a result, the program has been increasingly able to meet enrollment targets while attracting and retaining higher quality students.
- (2) **Diversification of faculty advising and student research topics.** IDEC has benefited enormously from new faculty hiring over the past four years, as these new professors (Cassar, Katz, Mukerji and Wong) have diversified graduate course offerings and served as Masters Project advisors. (In the Fall of 2007, an additional new faculty member specializing in Environmental and Natural Resource Economics will join.) Increasingly, faculty members are involved in collaborative research projects with graduate students.
- (3) **Enhanced peer support and cohort-to-cohort mentoring.** Both formally and informally, IDEC has taken advantage of each cohort's learning experiences – particularly the summer fieldwork – to allow students to learn from one another as well as from faculty regarding research methodologies and potential pitfalls.

With regard to near-term changes, an Economics Department retreat recently (October 2006) identified several areas specific to IDEC:

- (1) **Revision of the Graduate Seminar.** Currently, Graduate Seminar is designed to support students through the analytical and write-up stages of their Masters Project, regardless of topic. The Department will reorient the Graduate Seminar to be more topical in nature, so that students working in similar areas (eg. Development Microeconomics, International Finance) benefit from both advanced directed readings pertinent to their topics, as well as guidance on their specific research projects.

- (2) **Consolidation of Masters Projects topics and research sites.** Based on a comparative assessment of the quality of previous years' Masters Projects, the faculty agreed that students significantly benefit from working in small teams on topics of mutual interest to advisors and students. In the future, therefore, it was agreed that increasing faculty-student collaborative research in a concentrated number of research sites would be preferable to allowing students to independently develop their topics and carry out the fieldwork. In this regard, the Department also plans to establish ongoing exchange relationships with international universities, research centers and non-governmental organizations which can provide essential logistical support to students while they are in the field.

Applicants to the IDEC program are from highly diverse backgrounds, ranging from recent U.S. college graduates with undergraduate degrees in Economics, Business, and International Studies; to more mature individuals with work experience in the private, public, and nonprofit sectors; to international candidates coming from careers in academia, government, and finance.

In the admissions process, we look for applicants with strong academic transcripts from reputable institutions (GPAs in the 3.5 and above range, with particular attention paid to grades received in Math and Economics courses), solid letters of recommendation, and personal essays that demonstrate genuine interest in International and Development Economics, as well as good writing abilities.

We are especially keen to recruit talented applicants from low and middle income countries, and offer two dedicated scholarships each year to newly admitted qualified students from the developing world. These IDEC scholarships consist of 5 tuition credits per semester for four semesters. In addition, we offer two merit scholarships to the highest ranking applicants regardless of country of origin, consisting of three tuition credits for 4 semesters, plus a 20 hour per week Teaching Assistantship for 3 semesters.

As students proceed through the program, they may become eligible for Teaching and/or Research Assistantships, but these are usually limited to 10 per semester, and shared among MA and IDEC students. Some of our students – especially international students – experience real financial hardships during their time in the program. Domestic students have the option of working part- or full-time while they pursue their studies, but this invariably alters their engagement with both faculty and peers.

Upon admission into the program, students are notified about the various enrollment procedures, and an Orientation Session is scheduled for the beginning of the Fall semester. In addition to this group session, new students meet individually with their IDEC faculty advisor before registering for classes. The advisor helps the students plan out their coursework, as well as addressing issues related to housing, finances, and the like (this is especially important for international students).

We offer solid, challenging core courses in both economic theory in the first year (Micro and Macro) and methods (Econometrics and Field Research Methods). Our elective offerings cover a wide range of sub-specializations within International and Development Economics, including Development Microeconomics, Experimental Economics, International Trade, International Finance, and Natural Resource Economics.

Core courses are carefully sequenced, since material builds on concepts and skills developed in other courses. For example, Economics 601 and 615 (Graduate Micro and Math for Economists) are always taken simultaneously; and Graduate Econometrics is a prerequisite for Applied Econometrics. Since IDEC students without Economics backgrounds may not take some core classes until their second year, we are relatively more flexible with respect to prerequisites for the 600-level electives. Faculty are in regular communication about course content to maximize coverage of important topics and avoid overlap among classes.

Many IDEC students do international and/or development-related internships during their studies. Examples include the Foundation for Sustainable Development, the United Nations, and the U.S. Department of State. Many also serve as Teaching Assistants for undergraduate and graduate-level courses, and/or as economics tutors in the University’s Learning and Writing Center.

The Economics computer lab, which is heavily utilized by graduate students, has 8 PCs equipped with statistical and spreadsheet software including Stata and EViews. The computer lab also has a number of databases that students can use. For IDEC students’ summer research fieldwork, the Department has in most years been able to contribute approximately \$1200 towards international travel and \$500 towards other research-related expenses.

IDEC attracts some outstanding students, not only in terms of academic talent, but also in terms of interest in and commitment to utilizing economic analysis to better understand the problems of international development. Many of them have to work hard, especially during their first year, to develop the basic skill set that will allow them to “think like economists.” In this respect, we expect a great deal of them fairly early on in the program, since they are required to conceive and plan an original research program during their second semesters.

The quality trend has not been linear. We have had exceptional students in every cohort, and also students who have struggled with their coursework and/or research projects. Overall, however, the number of students with good academic backgrounds and the ability to excel at a graduate level has increased over the past five years.

Although we currently have no system in place to track post-graduation placements, anecdotal knowledge suggests that IDEC graduates have taken positions in non-profit and international development organizations, as well as in the private sector. In addition, several have been accepted into Economics Ph.D. programs. Although we have not yet conducted a comprehensive student survey, the feedback we have received is overwhelmingly positive. Students seem to especially value their Masters Research Project experiences, including the opportunity to conduct first hand data collection and to work closely with faculty members during the course of the research process.

Degree Requirements

The IDEC Program consists of eleven courses, or 33 units. There are seven required courses and four electives. In addition, students are required to complete 1-3 months of summer field research, a Masters Project, and an oral presentation/examination of their research.

TABLE 8: MA-IDEC Required Courses

REQUIRED COURSES (21 UNITS)	FT SEQUENCE
ECON 601 – Graduate Microeconomics	Fall Year 1
ECON 615 – Mathematical Economics I	Fall Year 1
ECON 602 – Graduate Macroeconomics	Spring Year 2
ECON 620 – Graduate Econometrics	Spring Year 1
ECON 623 – Fieldwork Studies	Spring Year 1
ECON 627 – Applied Econometrics fro IDEC	Fall Year 2
ECON 690 – Graduate Seminar	Spring Year 2

Students choose four elective courses from the following list:

Economics 650: Money, Banking, and Financial Institutions (Prof. Wong, Fall)
Economics 665: Law and Economics (Prof. Muzzi, Fall)
Economics 670: International Trade (Prof. Fischer, Fall)
Economics 671: International Finance (Prof. Mukerji, Spring)
Economics 672: Economic Development (Prof. Katz, Fall)
Economics 673: Development Microeconomics (Prof. Wydick, Spring)
Economics 677: International Political Economy (Prof. Sharma, Spring)
Economics 691: Experimental Economics (Prof. Cassar, Fall)

All Graduate MA Economics courses have a value of 3 units per course.

E. MSc Program in Financial Analysis (MSFA)

– Director, Prof. John Veitch

The central focus of the Master of Science in Financial Analysis (MSFA) program is teaching the theoretical and analytical tools necessary to analyze markets, firms, and assets. This high-level theory is combined with practical tools and skills valued by the financial industry including a thorough understanding of statistical analysis, economic and financial modeling, accounting statements, and ethical and regulatory considerations in the financial industry. Each course in the program will have a set of well-defined learning outcomes associated with it.

The Master of Science in Financial Analysis provides a comprehensive professional education in financial analysis and investment management. The program is designed to train students in the use of economics to analyze markets, industries, and companies and value financial assets associated with these areas. The curriculum is closely linked to learning outcomes developed by the CFA Institute for its CFA[®] designation. These learning outcomes are arrived at after extensive interviews with financial and investment management firms as well as current CFA[®] charterholders. The learning outcomes are updated regularly from year to year. Each course in the MSFA program has a set of well-defined learning outcomes for the CFA[®] designation associated with it. Instructors in the program are drawn from both academics and practicing Chartered Financial Analysis (CFA[®]) charterholders in the United States. Students receive the most current information about the issues involved meeting regulatory requirements and financial policies, measuring and managing risk.

The MSFA is designed to train students as financial analysts and investment managers. The program's goals are:

- Provide an interdisciplinary approach to the study of financial markets and the analysis and valuation of financial assets.
- Utilize quantitative methods and analytic tools of economics, statistics, finance and accounting to provide both theoretical and applied knowledge for students interested in analyzing or managing portfolios of financial assets.
- Prepare students to meet the demands of the financial industry for high standards of ethical behavior and knowledge of financial responsibilities and regulations.

There are two versions of the MSFA program. The Professional MSFA program is designed to allow students to continue in full-time employment while pursuing the degree. It can be completed in four semesters over a two year period. The Accelerated MSFA program, in contrast, is a one-year intensive program designed for full-time students to cover the same material in a shorter period. Both versions of the MSFA program are structured as a cohort program, meaning that all students proceed through a set of well-defined courses together.

Both versions of the MSFA program share a common curriculum and to a large extent a common set of instructors. Table 9 provides an overview of the MSFA program courses and sequencing.

TABLE 9: MSFA Program Requirements

REQUIRED COURSES (36 UNITS PFA, 34 UNITS AFA)	PFA Two-Year Sequence	AFA One-Year Sequence
ECON 710 – Microeconomics for Finance (3units for PFA, 2 units for AFA)	Fall Year 1	Fall Year 1
ECON 712 – Financial Markets (3units for PFA, 2 units for AFA)	Fall Year 1	Fall Year 1
ECON 714 – Corporate Finance	Fall Year 1	Fall Year 1
ECON 716 – Macroeconomics for Finance	Fall Year 1	Fall Year 1
ECON 720 – Equity Valuation	Spring Year 1	Fall Year 1
ECON 722 – Fixed Income I	Spring Year 1	Fall Year 1
ECON 724 – Derivatives I	Spring Year 1	Spring Year 1
ECON 726 – Adv Financial Statement Analysis	Spring Year 1	Spring Year 1
ECON 728 – Ethics and Finance I (1unit)	Spring Year 1	
ECON 730 – Risk Management	Fall Year 2	Spring Year 1
ECON 732 – Derivatives II	Fall Year 2	Summer Year 1
ECON 734 – International Finance	Fall Year 2	Spring Year 1
ECON 736 – Econometrics	Fall Year 2	Spring Year 1
ECON 738 – Fixed Income II		Spring Year 1
ECON 740 – Capital Market Theories	Spring Year 2	Summer Year 1
ECON 742 – Alternative Investments	Spring Year 2	Summer Year 1
ECON 744 – Financial Econometrics	Spring Year 2	Summer Year 1
ECON 746 – Portfolio Management	Spring Year 2	Summer Year 1
ECON 748 – Ethics and Finance II (1unit)	Spring Year 2	

Professional MSFA (PFA) Program:

The MSFA program is designed to allow students to continue in full-time employment while pursuing the degree. It can be completed in four semesters over a two-year period.

Exhibit 1: Professional MSFA Curriculum

Year 1: Semester 1	Microeconomics (3 units)	Macroeconomics (2 units)	
	Financial Markets (3 units)	Corporate Finance (2 units)	
Year 1: Semester 2	Equity Valuation (2 units)	Fin. Statement Analysis (2 units)	Finance & Ethics I (1 unit)
	Fixed Income Valuation (2 units)	Derivatives I (2 units)	
Year 2: Semester 1	Computer Models for Risk Management (2 units)	Econometrics (2 units)	
	Derivatives II (2 units)	International Finance (2 units)	
Year 2: Semester 2	Capital Market Theory (2 units)	Portfolio Management (2 units)	Finance & Ethics II (1 unit)
	Financial Econometrics (2 units)	Alternative Investments (2 units)	

Each semester students in the PFA take four 2-unit courses. Each course lasts one-half of the semester and at any time in a semester, students will be taking two courses at the same time. Each year, there is one 1-unit Ethics course at the end of the second semester. A visual layout of the courses is provided in Exhibit 1 below.

Students in the Professional MSFA are normally between 28 and 32 years of age. The majority of students work in the financial industry and are looking for advancement within the investment profession. A significant percentage of students, between 20-25% in any cohort are looking to make a career transition, often from back-office support functions. The cohort design of the MSFA program along with the use of working professional experts as instructors provides significant career networking opportunities.

The Professional MSFA program has been in operation for four years and will have graduated three cohorts of students. The retention rate is quite high. Students tend to drop the program in its first few weeks if they find the pace to be demanding. After the first semester the only students dropping from the program tend to do so because of changes in their jobs. Experience has been that the top third of each class tends to experience considerable job mobility during and after the program.

The majority of students in the Professional MSFA program have the CFA® designation as a career goal. Students normally register to take the CFA® Level I exam in June at the end of their first academic year of the program. Students who pass this Level I exam can then register to take the Level II exam at the end of the second academic year of the program.

The MSFA program is an academic degree program. It is not directly related with the CFA® exams or the CFA Institute directly, nor is it designed to be a CFA® review course. Students who complete the MSFA program will have learned the material covered by the CFA® exams but considerable self-study is necessary for any student to prepare adequately for the form and specific content of any of the exams. Last year we had our first three alumni pass the third CFA® exam (100% pass rate) and earn their charter. Last year 6 out of the 8 students taking the Level I passed, a higher pass rate than the international average of 40%.

Accelerated MSFA (AFA) Program:

The Accelerated MSFA program is designed for full-time students. The AFA program is attractive to foreign students who view an academic credential as a precursor to securing work in the finance profession of their home countries. There are also a small, but significant number of U.S. students who apply for an intensive MSFA program directly after their undergraduate work. They possess little work experience and would not be accepted into the Professional MSFA program despite their academic qualifications.

Exhibit 2: Accelerated MSFA Curriculum

Semester 1: August - December	Micro for Finance	Macro for Finance
	Financial Markets	Equity Valuation
	Corporate Finance	Fixed Income Valuation I
Semester 2: January - April	Adv. Fin. Statements	International Finance
	Econometrics	Derivatives I
	Fixed Income Valuation II	Computer Models for Risk Management
Semester 3: May - July	Capital Market Theory	Alternative Investments
	Financial Econometrics	Portfolio Management
	Derivatives II	

Courses in the AFA program meet during the week, both during the day and some evenings, over three consecutive semesters covering 12 months. The curriculum is identical to the original MSFA program, with the exception of one new course, and many of the same instructors will teach the same courses in both versions of the program.

Full-time students enroll in three 2-unit 7-meeting classes at any point in a semester. Over the course of a full semester, students in the intensive MSFA program will complete a total of six 2-unit courses (12 units in total). In the final semester, students will only need to complete a total of 10 units to finish the 34-unit curriculum. Exhibit 2 provides a visual description of the AFA course sequencing.

The AFA program is in its first year and so it is difficult to generalize the student population or experience. Attrition appears to be greater in the AFA program as more of the international students experience academic difficulties as the result of language, a different academic culture, and the rigor of the program. Internships in finance and investment management are extremely difficult to secure for international students. We emphasize this upfront on our website and in our information meetings, but many international students come with unrealistic expectations of getting a job in US financial markets.

MSFA/MBA Program

The MSFA program offers its students the opportunity to apply for the MBA at USF after completing the first 19 units of MSFA coursework. This joint program offers MSFA students a savings of tuition cost and time in acquiring both degrees. The MBA can be completed after the MSFA requirements are met with one additional year of courses (24 units). To be considered for the MBA option of the MSFA, students must have completed the first 19 units of MSFA coursework with a GPA of 3.2 or greater. Before applying, students must notify the MSFA Program Director by email of their intention to apply. This joint program is in its first year and we have had a few students decide to pursue this option.

Demand for the MSFA programs has exploded in the past three years. Table 5 presents year-to-year comparisons for applications. The dramatic increase has allowed us to simultaneously expand the number of accepted MSFA students while increasing the quality of the applicant. For example, the average accepted applicant for the AFA program this year has a TOEFL score of over 620 and a GMAT Quantitative score in the 90+ percentile. Last year the average accepted applicant had a TOEFL of 580 and a GMAT Quantitative score closer to the 75th percentile.

TABLE 10: MSFA Applications

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
To Feb 22	159	47	18	8	0
Full Year		160	87	42	18
Accepted		54	29	24	14

Unlike the other Graduate Economics program, the MSFA programs have a significant advertising budget that allows for a coordinated direct mail, newspaper advertising, web advertising campaign during the year. This strategy is anchored by a set of regular information meetings, both in San Francisco and in select foreign cities, that allow potential applicants to interact with the Program Director.

In the fall of 2006, the MSFA program became an official Academic Program Partner of the CFA[®] Institute. There are at present only 20 universities who are Academic Partners. The partnership increases the visibility of the MSFA program with potential applicants worldwide. It also has benefits in terms of the resources available from the CFA[®] Institute in terms of scholarships, webcasts, etc.

F. International Programs

The Economics Department has had a limited experience with international programs. The MA IDEC program has an agreement with the Kazakhstan Institute of Management, Economics and Planning (KIMEP) that allows students to take their first year core Economic courses at KIMEP. A maximum of 18 units can be transferred from KIMEP to the USF MA IDEC degree. Only two students have taken advantage of this option since it became available three years ago.

The MSFA program has been offered regularly in Bangkok, Thailand as a joint program with Assumption University, a university associated with the Dominican Brothers. Assumption University is a well-regarded university with an emphasis on business programs and instruction takes place in English language. The program will have graduated two cohorts as of May this year.

The MSFA Bangkok program involves exactly the same courses, taught by the same faculty, as the Professional MSFA program in San Francisco. The program was approved by WASC and takes place over two years and involves intensive instructional periods with USF faculty along with a series of tutorials conducted by local Assumption U professors or local CFA[®] charterholders. MSFA Bangkok students have passed the CFA[®] level I exams at rates much higher than international average pass rate over the past two years.

The international MSFA programs make it easier to attract CFA[®] charterholders to teach in the program. While USF part-time course salaries are low relative to other Bay Area universities, the package of preparing a teaching the same course in San Francisco and Bangkok along with paid travel to Asia, has proven to be very attractive to working professionals who plan their vacations around their Bangkok teaching schedules.

The MSFA program Director is currently in discussions with an Indian Business School (Somaiya Institute of Management and Research in Mumbai) and a Chinese University (Central University of Finance and Economics in Beijing) to offer a joint MSFA degree. The first year foundation courses will be taught by the foreign partner professors, with USF oversight, while the more advanced second year courses will be taught by USF faculty working with foreign partner professors as tutors.

Both of these foreign programs are in the early discussion stage, but several of the MSFA adjunct instructors have expressed interest in being involved in these programs.

G. Graduate Admission and Advising

Each of the Economics Masters programs has its own distinct entry requirements and application evaluation process. The Director in charge of each graduate program coordinates the evaluation of applications for their program among involved faculty.

The MA in Economics and the MA IDEC also coordinate tuition remission scholarship awards across students accepted into these programs. The Graduate Directors for the Masters programs also coordinate the timing and, to some extent, the content across courses in the Masters programs. Both the Traditional Masters and the MA IDEC students have certain core courses in common in their first year. It is the content of these courses that are primarily coordinated by the Graduate Directors.

The MA Economics and MA IDEC give credit for suitable classes taken elsewhere. This can take the form of waiving required courses, but not the units, or transferring in courses from another institution. There are a maximum of 6 units, out of 33 units, that can be transferred from another school.

Students in both MA programs must meet regularly with their advisors to be mentored regarding their concentration areas, and for the IDEC students, the fieldwork study component of their degree program.

The MSFA Program Director evaluates all the applications for the various programs. Different criteria are employed between the Professional and Accelerated versions of the program. The Professional program emphasizes relevant work experience and letters or recommendation. The Accelerated program focuses on academic transcripts, recommendation letters, and quantitative strength as measured by an applicant's GMAT or GRE score.

Neither version of the MSFA program waives courses or accepts transfer credit. Transfer credits or waiving required courses are seen as disruptive to the cohesiveness of the cohort model used by the program. Non-traditional instruction, such as experiential learning, undergraduate research, etc. is not accepted for credit toward degree requirements

H. Overall Academic Quality

All of the Masters programs in the Economics department exhibit a high level of quality. One of the main goals of the MA in Economics program is to prepare students to go on to Ph.D. programs in Economics. In recent years it has been very successful in this regards, with students placed students in PhD programs at UC Berkeley, UC Davis, U. Washington, Stanford U., Lehigh U., Fordham U. etc.

The MA IDEC program is among the best Masters programs in development economics in the United States. It provides a rigorous level of training in quantitative methods as applied to development problems. Students in the program have gone on to Ph.D. programs in Development Economics, international organizations such as the World Bank, and NGO's throughout the world. MA IDEC does excellent research in the areas of micro-finance, experimental economics, and demographics. Many students join the program because of the research reputation of our faculty in these areas.

The MS in Financial Analysis program is internationally known, and recently became one of a select 20 Universities to become Academic Program partners of the CFA Institute, the organization that oversees the Chartered Financial Analyst designation. The Professional MSFA program attracts working professionals in the Bay Area. The Accelerated MSFA program attracts primarily international students, primarily from Asia. Pass rates on the CFA[®] exam for MSFA students are significantly higher than pass rates for all candidates who take the CFA[®] exams. In addition, the majority of Professional MSFA students have experienced significant upward mobility in their careers, both during and after the MSFA program. Students are attracted to its unique mix of USF academics and San Francisco Bay Area finance professionals who teach in the program.

III. FACULTY

A. Demographics

This section provides a brief description of the current faculty's teaching and research interests. More detailed curriculum vitae for the faculty can be found in Appendix B.

Tenured or Tenure-Track faculty

1. *Jennifer Alix-Garcia: Assistant Professor*, received her Ph.D. from UC Berkeley in 2001. Her research focuses on the interaction between the environment and economic growth. Her most recent research has looked at deforestation and the tragedy of the commons.
2. *Alessandra Cassar is Assistant Professor* and Associate Director of LEEPS Lab (Learning and Experimental Economics Projects) at UCSC. She studied in Italy -- Universita' di Parma (B.A.) and Universita' Bocconi, Milano (M.A.) -- before going to the U.S. where she received a PhD in 2001 from University of California, Santa Cruz. Alessandra is an experimental economist. She is currently testing in the laboratory the economic consequences of networks in markets as well as in games. At the present, she is running field experiments in several developing countries on microfinance and on inequality.
3. *Hartmut Fischer: Professor*, received his Ph.D. from the University of California, Berkeley. Dr. Fischer has a number of areas of specialization: international trade, international finance and development economics. He has served as a consultant to the World Bank and the European Union. Research interests include economic problems faced by countries in transition from socialist market economies, country risk analysis, issues of governance, the process of convergence vs. divergence between poor and rich countries, international trade, migration, and capital flows. His current area of special interest is on the economics of environmental problems in the globalization process.
4. *Elizabeth Katz: Assistant Professor and Co-Director, IDEC*, received her Ph.D. in Agricultural Economics from the University of Wisconsin - Madison in 1992. Prior to joining USF in 2003, she held faculty positions at Barnard College and St. Mary's College of California. Her primary areas of research and teaching are development economics, economics of the household, gender, and land economics.
5. *Tetteh A. Kofi: Professor*, received his Ph.D. at the University of California at Berkeley. His research and teaching interests include economic development and international commodity markets with an emphasis on developing countries in Africa.

6. *Man-lui Lau: Assistant Professor*, received his PhD from Cornell University. His areas of specialization are economic theory, derivatives, finance, mathematical economics and Economies of East Asia. Dr. Lau has published papers on the theory of economic growth and Asian economies. Current research includes the Asian economies and the theory of real options and its applications.
7. *Purba Mukerji: Assistant Professor*, completed her Ph.D. in Economics at the University of Maryland in August 2004. Her areas of specialization are international finance and trade and applied econometrics. Her research interests include financial and trade liberalization in emerging markets. Her ongoing research involves designing and implementing empirical tests to compare different theories of international trade, testing for impact of technology transfer through foreign direct investment and measuring the impact of multilateral trade deals.
8. *John M. Veitch, CFA: Professor, Chair and Director of the MSFA Programs*, received his Ph.D. in Economics from Northwestern University in 1985. He has been a visiting faculty member at the Haas Business School at UC Berkeley and UC Irvine. Prof. Veitch is the Director of Education for the CFA® Society of San Francisco. Prof. Veitch has published papers on financial institutions in urban economic development. His current research involves the effects of changing exchange rate regimes on time-varying country risk in emerging financial markets.
9. *Sunny Wong: Assistant Professor*, received his Ph.D. in Economics from the University of Oregon in 2002. His primary research has focused on learning dynamics in monetary policy. He is also interested in the areas of foreign direct investment and economic growth. He has published his research articles in *Economics Letters*, *Macroeconomic Dynamics*, *Southern Economic Journal*, and other journals. His book (co-authored with Jim Granato) is *The Role of Policymakers in Business Cycle Fluctuations* (Cambridge University Press).
10. *W. Bruce Wydick: Professor and Director of IDEC*, areas of specialization include the microeconomics of development, labor economics, and applied game theory. He has received funding from the Pew Charitable Trust for research work in microfinance, and has published articles on the subject in *The Economic Journal*, *Economic Development and Cultural Change*, *World Development*, and other journals. He is currently operating under a grant from USAID with a collaborative team of researchers from USF and UC Berkeley who are investigating credit market information systems in Latin America. In 2000 he was given the University's Distinguished Research Award. Professor Wydick received his Ph.D. from the University of California at Berkeley in 1996.

Term but not Tenure-Track Faculty

1. *John Gonzales: Adjunct Professor*, received his B.A. from California State University, Fullerton, and his M.A. and Ph.D. from the University of Wisconsin. Prior to coming to USF he worked as an investment consultant and previously was employed as an economist at the OECD in Paris, France. Currently he also teaches for the CFA® Society of San Francisco. His research interests include transition economies, emerging market economics, and monetary policy and financial markets.
2. *Michael Jonas: Instructor*, is an AbD from UC Davis in financial markets and institutions.

Regular Adjunct Faculty

1. *Jacques Artus: Adjunct Professor*, retired from the IMF. Jacques has extensive experience in overseeing IMF stabilization policies in Europe, Asia and Africa.
2. *Michael Lehmann: Professor Emeritus*, received his Ph.D. from Cornell University. He retired from the USF Economics Department in 2003 and has taught one course a semester since then in the Economics Department. His areas of expertise are Economic History and Economic Thought.
3. *Mario Muzzi*: received his B.S. in Economics from Santa Clara University; his M.A. in Economics from San Francisco State University; and his J.D. from the University of San Francisco. He is a senior litigator with the law firm of Barulich Schoknicht and Dugoni. His academic research focuses on the economics of legal institutions and legal doctrines.

The Economics Department has a good mix of new Assistant Professors, Associate Professors and Full Professors. We anticipate that two of the current faculty members may become Emeritus in the next five years.

B. Teaching

Overall faculty teaching assignments are determined through a combination of consultation with the Chair, the Program Directors and individual faculty during Department meetings and Retreats. Semester to semester assignments are determined by a combination of past assignments, faculty leaves, new faculty hires and student demand. The process is a consultative one with several iterations. The Department Chair puts forward a preliminary schedule almost a year in advance of the semester. Each faculty member is encouraged to suggest changes in time and courses. After several iterations through email, the schedule is generally established to everyone's satisfaction.

Individual faculty members, particularly new hires, are encouraged to craft new courses that support existing programs and fit their teaching or research interests. As a result, our programs reflect a combination of standard Economics offerings with emphasis on areas of faculty expertise and interest. How a new hire will fit into the existing fabric of the Department programs is an important consideration in our hiring process.

As a result, faculty are generally happy with their teaching assignments and understand that the less desirable service courses they must teach are balanced by their ability to teach courses at the upper-division or graduate level that reflect their enthusiasms and interests.

The Economics faculty has been an early adopter of technology in the classroom – Computer software used to illustrate hands-on examples in Econometrics, general use of the online course delivery system Blackboard, as well as the on-line delivery of selected courses. Some Economics faculty members have built experiments into their classes to illustrate economic concepts. Recently, one of our faculty members organized a Mock Federal Reserve Open Market Committee meeting in conjunction with the Federal Reserve of San Francisco and San Francisco State University.

A significant amount of time is spent by faculty in the MA IDEC program mentoring graduate students in their fieldwork study component. While there are a number of courses within the curriculum to support fieldwork, individual faculty advisors spend a significant amount of time working with students outside of the classroom.

C. Research

The Economics Department primary research strengths lie in the area of applied models in Development, Experimental Economics, and open economy macroeconomics and financial markets. Recent hires have dramatically increased the frequency and quality of research produced by the Department. The popularity and focus of the MA-IDEC program has also increased the opportunities for joint research, both among faculty members and with graduate students.

Listed below are the major research grants and projects undertaken by the Economics faculty in the recent past:

Alessandra Cassar – NSF Grants

- ◇ A three-year (\$285,227) NSF grant **A Laboratory Investigation of Networked Markets**, joint with Daniel Friedman (UCSC) and Patricia Higinio Schneider (Mt Holyoke).
- ◇ I received a new NSF grant (REU) which provides funds to support research experience in undergraduate institutions by covering the expenses for undergraduate research assistants.

Elizabeth Katz – Consultancies

- ◇ 2004 – 2005 World Bank - Co-Principal Investigator for comparative research on gender impacts of land privatization and titling in Laos, Bolivia, Azerbaijan and Ghana.
- ◇ 2002 - 2003 World Bank - Case study research for Gender Mainstreaming in Latin America and the Caribbean Region. Supervise qualitative evaluations of innovative programs in rural development, judicial reform, urban infrastructure and reproductive health.
- ◇ 2002 FAO - Analysis of the feminization of agriculture in Latin America

Sunny Wong – NSF Grant Proposal

- ◇ His proposal titled “The Role of Policymakers in Open Economies: Stylized International Pattern” to National Science Foundation in early 2006. The research project focuses on the optimal monetary policy in small/open economies. Despite being declined, the proposal received very positive feedback from 9 reviewers (3 Very Good, 2 Good, 2 Good/Fair, and 2 Fair). Prof. Wong is currently revising the proposal and planning to resubmit it in August 2007.

W. Bruce Wydick – Grants

- ◇ 2006-2007 Jesuit Foundation Grant 2006-2007 Jesuit Foundation Grant “Microfinance in the Aftermath of Civil Conflict and Natural Disaster” sponsoring microfinance field experiments in Guatemala, India, and Kenya. (\$5000)
- ◇ 2004 McCarthy Foundation Grant “Fostering Broad-Based Development: The Economics of Institution-Building in Less-Developed Countries.” Sponsoring the Pacific Conference for Development Economics, USF, March 5, 2005; Graduate Student Travel and Research, summer 2004; and “Games, Institutions, and Economic Development” book project. (\$19,000)
- ◇ 2002-2005 BASIS (USAID) Grant Awarded for Research in Rural Credit Markets and Financial Information Systems in Latin America with Alain de Janvry, Elizabeth Sadoulet, and Jill Luoto (UC Berkeley), Craig McIntosh (UC San Diego). (Approx. \$450,000 total; \$63,000 earmarked for USF specifically.)

The University of San Francisco offers a generous Faculty Development fund as part of the USFFA (University of San Francisco Faculty Association) contract. The bulk of the funding is targeted at junior faculty members to act as seed money for research that may develop in grant proposals in the future. The FDF also provides travel money for faculty to conferences where they are presenting papers or acting as moderators or commentators. Economics faculty members have received many such awards over the past ten years to support their research and scholarly travel. The FDF also has a category of grants for innovations in teaching and the curriculum. It is probably easier than at most schools for junior faculty to receive awards to support their research because of the large size of the Faculty Development Funds.

D. Service

Economics faculty members have made several significant contributions to the University in recent years. An Economics faculty is generally a member of the USF Investment Committee overseeing the endowment and USF Budget Committees each year. Economics faculty members have been on the Union’s Policy Board in almost every year since its formation, the current member is Prof. Man lui Lau. An Economics faculty member (Prof. John Veitch) was Co-Chair of the Committee that initiated the transition from a 3-unit standard course curriculum to the current 4-unit based curriculum. Economics faculty played key roles in developing the undergraduate International Studies program (Profs. Hartmut Fischer and Bruce Wydick). Economics faculty members have traditionally been strong contributors to both College and University committees.

In addition to being one of the Co-Directors of the MA-IDEC Program, Prof. Bruce Wydick is a Faculty Advisor for the InterVarsity Christian Fellowship, a founding member of the International Studies Major

Faculty Committee, a Faculty Associate, Center for Latino Studies in the Americas, and continues to serve on the USF NCAA Athletic Advisory Board.

The USF Economics Department hosted the second annual Pacific Conference for Development Economics on March 5th, 2005. Our department was one of the founding institutions of the conference along with faculty from Berkeley, Stanford, and Santa Clara Universities. The conference at USF, coordinated by Bruce Wydick, drew approximately 120 attendees from over a dozen universities, mostly on the west coast, and 41 papers were presented in 12 academic sessions. Since then, conferences have been held at Santa Clara University and the University of California at Davis.

The MSFA program has been involved with the local CFA[®] Society of San Francisco in a variety of ways. The MSFA Program Director, Prof. John Veitch, acts as the Education Director for the CFASF Exam Review program. In this role, he oversees the CFA[®] Exam Review programs offered by the CFASF to over 400 CFA[®] exam candidates each year. In addition, Prof. Veitch is a member of the CFASF Board of Directors.

V. DEPARTMENTAL GOVERNANCE

The main administrative functions in the Department fall on the Department Chair. Under the USF-USFFA contract, the Department Chair is not a manager, but more of a shop steward. All required procedures, disciplinary processes, etc. fall under the Dean Office. The Department Chair generally coordinates activities within the Department and advocates for Department positions with the USF Administration. The Department Chair's initial term is three years, but the term can be extended by a majority vote of the Economics faculty. The Chair can also be replaced by a majority vote by the Department if they are performing at an unsatisfactory level.

The Department Chair is responsible for the following areas:

- Co-coordinating undergraduate course offerings directly, graduate course offerings with Program Directors, and determining faculty workload.
- Act as liaison to represent Economic Department interests at the Arts Council and College Council meetings.
- Normally acts as Chair on the faculty Search Committees which involves interviewing at the AEA meetings, hosting candidate visits, and writing reports on the searches to the Dean of Arts and Sciences.
- Supervises the Economics Program Assistant and Graduate Programs Coordinator.
- Schedules Department meetings and retreats. This involves coordinating issues raised by faculty or the College that need to be dealt with collectively.

The main administrative functions of each Graduate Program fall to the associated Program Director(s). Program Directors co-ordinate with each other when their decisions are likely to impact one another, such as the case of scholarship allocations and TA awards. They co-ordinate with the Department Chair when their decisions impact course offerings and faculty workloads.

A Program Director is responsible for the following areas:

- Co-coordinating graduate course offerings across programs and suggest potential adjunct faculty when needed to the Department Chair.
- Oversees the advising process for graduate students in their respective program, including authorizing graduation at the end of each student's program.
- Co-ordinates changes in curriculum and new course offerings with impacted faculty and the Department Chair.
- Reviews applications to their graduate program, including coordinating admissions and scholarships with other affected Program Directors.

The Economics Department meets regularly to discuss issues facing the Department. All faculty are encouraged to submit items for the agenda of each meeting. Department meetings tend to be about 1 ½ hours long and are used for routine decisions and announcements.

The Economics Department normally meets once a semester in a day-long Retreat to discuss larger or longer term issues that face the Department. Faculty members are encouraged to submit agenda items and all faculty are invited to participate in shaping policies that come out of these retreats. New faculty members are encouraged to avoid substantial service commitments until after their third year at USF. Junior faculty members are encouraged to play larger roles in the department's governance after they have securely established their research and teaching agendas. Appendix A contains the Department By-Laws.

VI. STAFF

Prior to Fall 2004, the Economics Department support staff consisted of shared a Program Assistant with the History Department along with two work study students. Starting in Fall of 2004 the Economics Department had its own full-time Program Assistant. The Economics Department support staff as of March 5, 2007 consists of a full-time Program Assistant, a Graduate Programs Coordinator (new fall 2007), and one or two work study students. Table 3 at the beginning of the Program Review summarizes the Economics Department budgets for the past six years.

TABLE 3: Economic Department and Program Budgets

ACADEMIC YEAR		ECONOMICS	IDEC	MSFA_SF	NOTES
2001-02	General Operating	\$ 22,453			
	Travel/Entertainment	\$ 2,410			
	Staff (salary & benefits)	\$ 29,776			Czekala; .5 FTE
	Student Support	\$ 7,820			
	Total	\$ 62,459	\$ -	\$ -	
2002-03	General Operating	\$ 21,500			
	Travel/Entertainment	\$ 1,286			
	Staff (salary & benefits)	\$ 30,935			Czekala; .5 FTE
	Student Support	\$ 29,451			
	Total	\$ 83,172	\$ -	\$ -	
2003-04	General Operating	\$ 23,233	\$ 11,907	\$ 71,155	
	Travel/Entertainment	\$ 34,496	\$ 1,447	\$ 2,966	
	Staff (salary & benefits)	\$ 32,342	\$ -	\$ -	Czekala; .5 FTE
	Student Support	\$ 61,774	\$ -	\$ -	
	Total	\$ 151,845	\$ 13,354	\$ 74,121	
2004-05	General Operating	\$ 26,561	\$ 17,180	\$ 109,972	
	Travel/Entertainment	\$ 8,020	\$ 24,316	\$ 18,412	
	Staff (salary & benefits)	\$ 48,320	\$ -	\$ 5,898	Pena; 1.0 FTE
	Student Support	\$ 60,327	\$ -	\$ -	
	Total	\$ 143,228	\$ 41,496	\$ 134,282	
2005-06	General Operating	\$ 24,318	\$ 9,895	\$ 125,326	
	Travel/Entertainment	\$ 5,612	\$ 16,444	\$ 7,744	
	Staff (salary & benefits)	\$ 51,452	\$ -	\$ -	Pena; 1.0 FTE
	Student Support	\$ 65,519	\$ 528	\$ 473	
	Total	\$ 146,901	\$ 26,867	\$ 133,543	
2006-07	General Operating	\$ 19,094	\$ 23,052	\$ 154,088	
	Travel/Entertainment	\$ 1,241	\$ 49,246	\$ 51,300	
	Staff (salary & benefits)	\$ 135,116	\$ -	\$ -	Pena; 1.0 FTE
	Student Support	\$ 15,156	\$ 26,883	\$ 39,368	*Armstrong: 1.0 FTE
	Total	\$ 170,607	\$ 99,181	\$ 244,756	*Start March 5, 2007

Turnover in the Economics Program Assistant position has not been high. In the past ten years the Economics Department has had only two Program Assistants. The most recent turnover was the result of Barbara Pena, who had been our Program Assistant, being promoted to Graduate Programs Coordinator.

The size and nature of our graduate programs and Economics faculty result in a generally constant stream of work for the support staff throughout the year. There are the day-to-day needs of a Department with 13+ faculty members serving an undergraduate major, a large number of service course and three graduate programs. In addition there are a variety of periodic demands on support staff.

In the Fall and early Spring the Department is generally involved in one or more faculty searches which require lots of filing and logging of applications, contacting candidates for interviews and arranging fly-outs. Then the Graduate program applications process begins for each of the three programs. This too entails a lot of logging, filing and contacting applicants regarding their status. The Summer is also a busy time as many of the graduate students are coming from abroad and have many questions and needs for support before and after they arrive in San Francisco.

One Program Assistant was clearly inadequate to meet these demands and in Fall 2006, the Economics Department was able to hire a Graduate Programs Coordinator. We hope that with two full-time support staff and sufficient work study students that the administrative needs of the Economics Department will be met without too much strain.

Economics Program Assistant: is responsible for the general day-to-day administration of the Economics Department, its undergraduate program and the Economics faculty. Specifically the Program Assistant is responsible for:

- Field office traffic/inquiries
- Maintain undergrad files
- Fulfill photocopying requests, track copy card requests
- Coordinate all space events and catering as directed by PA
- Coordinate guest speaker events and reimbursements, vendors, etc.
- Prepare routine documents; degree postings for all grad programs; semester course descriptions, department flyers for majors and minors, reminders to students and/or faculty re graduation, registering, housing, special events, etc.
- Pick up student and faculty paychecks and other misc campus errands
- Reconcile monthly purchasing card purchases
- Responsible for faculty needs and requests

Faculty Searches

- Receive application packages and set/up & maintain tracking log of applicants and necessary follow-up letters
- Coordinate interview appointments at the AEA meetings
- Coordinate all aspects of a finalist's on-campus interviews including travel and hotel, interviews with Dean's office, and paper talk and teaching components.

Economics Graduate Programs Coordinator: is a new position responsible for the administration of the Economics Department's rapidly growing graduate programs, new graduate program initiatives, and oversight of the day-to-day activities involved in the operation of the MA in International and Development Economics (IDEC) program, the Masters program in Economics, and the MS in Financial Analysis MSFA Professional and Accelerated programs, both domestic and international. Specifically the Graduate Program Coordinator is responsible for:

- Coordinate advertising activities for each of the Economics graduate programs; locally, nationally and internationally. Oversee and update production of print and web-based outreach and advertising.
- Support the Directors of each Economics graduate program in the processing, evaluation, and tracking of graduate student applications and scholarship awards.
- Support the Economics Department Program Assistant in developing procedures to meet major Economics Department needs including faculty searches, course scheduling, room scheduling, etc.
- Oversee production of major Economics Department events, including the new Artus/Wu Economic Seminar series, and take the lead on coordinating annual event planning across the graduate programs.
- Support the Chair and Program Directors in annual budget projections and implement appropriate controls and reviews for each program.

- Support the MSFA Program Director is improving/establishing/maintaining administrative structures, reviews, and faculty pool for existing/new MSFA program cohorts.

VII. FACILITIES

USF has upgraded its classrooms in terms of technology capabilities and also overall finish in the past five years. The majority of classrooms provide access to boards, overhead projectors plus an LCD projector linked to a laptop or video player. Many classrooms have moved to whiteboards which are good for the visual presentation involved in many Economics courses, however a majority of classrooms rely on chalkboards.

Classroom sizes limit the possible class configurations the Economics Department can offer. With the exception of a limited number of “Very Large” classrooms (125+), the next tier of “Large” classrooms at USF holds no more than 40-45 students. This limits the Department’s strategies available to meet the increased demand by the Business School for Principles of Economics sections. We can either do a small number of very large sections or a very large number of sections of 40 students.

Classrooms are also a problem for the MSFA program. The MSFA program requires a higher level of fit and finish in its classrooms to justify its “premium” pricing relative to other graduate programs at USF (about \$1290 per unit versus the standard graduate rate of \$965 per unit). The Accelerated MSFA program has seen a dramatic expansion in applications. Being able to offer the program in class sizes of 60-70 students, rather than 35-40 students, would reduce costs and the needs to require a large group of adjunct finance professionals.

In past years, the Professional MSFA program has used the new Business School classrooms for its Saturday classes and rented space in the CFA Society of San Francisco classroom in downtown San Francisco for its Accelerated program. Neither option is attractive as a continuing strategy. USF needs to provide classroom spaces that are consistent with its emphasis on growth through attracting non-traditional graduate students.

Facilities at USF are also a problem for the MA IDEC program. With its emphasis on fieldwork studies, often combined with experiments, the IDEC program requires better equipped computer facilities for students with increased number of computers and databases as well as space to conduct economic experiments. A lack of conference rooms for consultations with faculty regarding fieldwork projects and dedicated study areas for group work on research are almost completely lacking at USF.

The good news is that in a year to a year and a half, the Economics Department will move out of its completely substandard, and scattered, offices on the fifth floor of the University Center, to a dedicated set of office space on the fourth floor of the Cowell building. According to the plans we have seen, this area will have enough space for faculty and staff offices, including adjunct offices, and a conference rooms. We would like to see two or more of the large classrooms adjacent to the Economics Department upgraded and set aside for the Economics graduate program classes.

VIII. SUPPORT SERVICES

The support services at USF have become increasingly inadequate relative to the needs of the Economics Department, particularly its graduate programs. While this is possibly beyond the scope of the Program Review it is important to note:

- (1) **Graduate Admissions:** has adopted a document scanning system that delays the receipt of graduate applications to the Program Directors by 4 weeks or more. The lack of staffing in Graduate Admissions is the main problem. Currently the MSFA program has 180 applications logged on the system, but only 40-45 applications have made it to the MSFA Programs Director's desk. The result is a loss of potential students as many applicants choose other schools that reply more quickly.
- (2) **International Student Services:** The Economics Department has increased the number of international graduate students in its program significantly. These students require support services in the form of orientation to San Francisco, housing listing and alternative housing options such as home stays. The Department's focus instead seems to be on educational programs for International students who have already oriented themselves to San Francisco. The demands of international students have taken up a huge portion of the Economics support staff during the summer months of the past three to four years.
- (3) **Career Services:** The new Accelerated MSFA program that attracts international students and domestic students outside of the finance industry generates a large demand for internships in finance or investment management. Career Services has been of no help in this regard. The majority of job listings and internships are generated by MSFA adjunct faculty, students in the Professional MSFA, and "deals" the Program Director has arranged with Departments within USF. The lack of a systematic internship program is likely to hurt recruiting for the Accelerated MSFA program in the future.
- (4) **Alumni Relations:** Economics alumni, particularly graduates from the MA-IDEA and MSFA programs, provide a potentially rich source for networking, jobs and internships for current Economic undergraduates and graduate students. The University currently possesses no real system for following alumni by Department. Admittedly, the Economics Department has not done a great job of following its alumni after graduation either. Alumni are a very important resource that currently is lost, except where individual Economics faculty and student interaction continues after graduation.

These are not meant as criticisms of the individuals involved in these support services. Often it is the administrative priorities and procedures that generate the problems for the Economics Graduate Program Directors.

IX. CONCLUSIONS

The Economics department's strengths:

1. The Economics Undergraduate program that is rigorous, analytical and provides a solid foundation for business, government and graduate work. It consistently attracts a core of excellent students, particularly in the Joint BA-MA program.
2. The MA-IDEC program has a strong reputation, both nationally and internationally, and produces graduates with excellent applied quantitative skills focused on supporting development issues, policies, and projects.
3. MS in Financial Analysis program that is internationally recognized and combines academic faculty with working finance professionals to provide solid quantitative, analytical and ethical skills in the area of finance and investment management to Bay Area and international finance professionals.
4. The Economics Department provides an overall level of teaching excellence within their rigorous programs. Several Economics faculty members have received awards for their teaching excellence (Fischer, Gonzales, Lau and Veitch). The Economics faculty has been quick to embrace new technologies and pedagogical approaches to enhance the learning experience of its students.
5. In recent years the research profile of USF has increased dramatically, particularly in the area of Development Economics, as a result of new faculty hires, increased collaboration amongst faculty, and increased opportunities for research collaboration with graduate students.

The Economics department's weaknesses:

1. The rapid expansion of the Department's two new graduate programs (MA-IDEC and MSFA) has strained the faculty and administrative resources of the Department. It is likely that additional faculty will need to be hired in the Department. New administrative processes will also have to put in place to support faculty and students.
2. Infrastructure has been a problem for the Department in terms of research support facilities for faculty and graduate students. It has also been a problem in terms of providing dependable access to classrooms, conference rooms, and study areas that are suitably equipped for the needs of the Department's programs, particularly its new graduate programs.

On balance, the Economics Department operates well despite any challenges it might face. Economics faculty and students interact with a high level of collegiality. The Economics faculty has exhibited a strong commitment towards improving existing Economics programs and supporting their colleagues who direct these programs.

X. COMPREHENSIVE PLAN FOR THE FUTURE

The Economics Department has been very successful in improving and building the department over the past five years.

The big challenge that faces the Economics Department is to take these gains and provide a solid institutional and faculty structure to support the Economics undergraduate and graduate programs. Much of this support must come from the University, as the Economics Department has clearly stretched itself as thinly as possible to accommodate the dramatic growth experienced in the past five years.

Some of this support has been forthcoming with the new Graduate Programs Coordinator position and two net new faculty members over the past five years. It remains to be seen whether these new resources will be sufficient to meet the continuing demands of the new programs and the demand for service courses from other areas of the University and College.

The Department requires more support for advertising its graduate programs. The only program with a significant advertising budget is the MSFA, and its growth shows the payoff to targeted marketing. This lesson seems to be lost at the upper University administrative levels. Graduate Admissions continues to agitate for centralized advertising – a situation that would harm for the Economics graduate programs significantly.

Facilities available for classrooms and research must be drastically improved to support the size and quality of the Economics programs, particularly the MA-IDEC and MSFA programs. The current availability, sophistication, and size of existing classrooms at USF limit growth in numbers and pricing of each program. It is critical for the University to upgrade its plant to meet the expectations of working professionals and overseas students. Without this type of investment, it will be difficult for the Economics graduate programs to retain their competitive advantage.

The other dramatic difference in the Economics Department over the past five years has been the increase in quantity and quality of research done by the Economics faculty. The University and College need to explore ways to support this research in a significant way. One suggestion is that the Faculty Development Fund allocates a limited amount of partial course release to faculty who demonstrate the need for a concentrated research effort. Course release is a common way to reward faculty who take on significant service assignments. The extension to research seems reasonable.

The University also needs to make it much easier on faculty who seek grants. The process is still too complicated and cumbersome. As it is, by applying for grants, faculty simply create more administrative work for themselves. This creates incentives that are unhealthy for bringing in grants. Change in this area is critical if USF wants to move to the next level of research.

Appendix A. Economics Department By-Laws

UNIVERSITY OF SAN FRANCISCO BY-LAWS OF THE DEPARTMENT OF ECONOMICS

These bylaws are a revision of the bylaws previously in effect.

John M. Veitch, February 18, 1998

I. Membership

All members of the USF Faculty Association in good standing who hold academic appointments in the Department of Economics are members of the Department. Emeritus faculty are welcome to attend Department meetings as visitors.

II. Department Chairperson

- A. The Chairperson shall be elected by voting members to serve a three-year term, where year is defined by academic year. Said Chair may be elected to one successive term.
- B. The Chairperson shall be elected in a secret ballot election during the spring semester preceding the end of the Chairperson's term. Should one candidate not receive a majority, a run-off election shall be conducted between the two top candidates. The numerical result of all elections shall be communicated to the members.
- C. A quorum for meetings shall be a majority of the members of the Department not on leave.

III. Duties of the Chairperson

- A. The Chairperson shall represent the Department in all dealings with the administration. The Chair shall present fully and accurately the formal resolutions of the Economics faculty as well as their informal consensus in all matters concerning faculty-administration relations and policies. If the Chair cannot in good faith advocate a departmental position, he or she shall appoint someone of the majority to represent that position to the Dean.
- B. The Chair shall serve as the normal conduit for information from the Dean of Arts and Sciences and any other administration official on all matters of concern to the department as a whole. She or he shall consult with the department on all matters requiring consultation through a department meeting if possible, or by consulting with members individually if time is a constraint.
- C. The Chair shall be the department's representative on the Arts Council and the College Council and shall inform the department on the business of both councils.
- D. These duties are in addition to those given to the Chair by the administration to conduct university business.

IV. Meetings of the Department

- A. Department policy shall be established at department meetings.
- B. The Chairperson shall schedule a minimum of three Department meeting each semester. The Chairperson shall issue the meeting schedule before the end of the second full week of classes. The Chairperson shall ask for agenda items sufficiently in advance so that the agenda can be published no less than one week before a meeting.
 - B.1. Meetings may be canceled if no old business remains to be conducted and if no new business is brought to the attention of the Chairperson prior to the meeting. New items may be placed on the agenda at a meeting by a two-thirds vote of the members present.
- C. The Chairperson shall be responsible for insuring minutes are taken and distributed no later than three weeks following a department meeting.
- D. A quorum for meetings shall be a majority of the members of the Department not on leave.
- E. Special meetings may be called by the Chairperson or a majority of the Department.

V. Standing Committees and Positions

A. Graduate Advisor

- A.1. The Graduate Advisor shall supervise the graduate program under the direction of the Department. This direction shall include but not be limited to:
 - A.1.1. Making recommendations to the Dean on all graduate admissions

- A.1.2. Maintaining graduate records
- A.1.3. Supervising graduate advising
- A.1.4. Establishing procedures for thesis writing and the comprehensive exam
- A.1.5. Exercising the initial responsibility for the graduate curriculum
- A.2. The Graduate Advisor shall be appointed by the Chair after consultation with the department for three-year term.
- A.3. The Graduate Advisor shall be responsible for insuring that any proposed changes in procedures, policies, or curriculum are distributed to the department.

B. Recruiting Committee

- B.1. The Recruiting Committee shall carry out all recruiting tasks under the direction of the Department. These tasks shall include but not limited to:
 - B.1.1. Conducting searches for vacant full-time positions.
 - B.1.2. Reviewing applicants
 - B.1.3. Selecting the set of applicants to be reviewed by department.
- B.2. The Recruiting Committee shall be a committee of the whole. Faculty members who do not wish to be included on the committee must inform the department of their reasons for wishing to not serve on the committee.
- B.3. The Chairperson of the Recruiting Committee shall be appointed by a majority vote of the committee.

VI. Ad Hoc Committees

Ad Hoc committees may be created at the initiative of either the Chairperson or the Department at a Department meeting. Their personnel shall be nominated by the department and approved by a majority vote.

VII. Parliamentary Authority

Robert's Rules of Order, latest revised edition, shall be normative, but not binding unless a Department member, with a second, requests strict adherence to the edition.

VIII. Amendments to By-Law

These by-laws may be amended by two-thirds vote of the Department, Changes in these by-laws must be approved by the Liberal Arts Council.

IX. Subordination

No part of the Department's by-laws or proceedings shall stand in contradiction to the Constitution of the USF Faculty Association, the Collective Bargaining Agreement, the By-Laws of the Liberal Arts College Council, or published Faculty Association policy.