

## Committee on Economic Education of the American Economic Association

### Minutes of the Meeting of January 7, 2006 Sheraton Hotel, Boston, MA

**Present:** David Colander, Kenneth Elzinga, Rae Jean Goodman, Dan Hamermesh, Alan Krueger, Paul Romer, Michael Salemi, Wendy Stock, William Walstad (chair), and Michael Watts. Also attending from the National Council on Economic Education were Robert Duvall, President, and Elizabeth Webbink, NCEE Vice President for EconomicsAmerica. After a buffet lunch, the meeting was called to order at 12:30 p.m.

#### 1. CEE membership

Bill Walstad opened the meeting by reviewing CEE membership and changes. He welcomed David Colander, Kenneth Elzinga, and Wendy Stock to their first meeting of the CEE (service on the CEE began in January 2005). He thanked Daniel Hamermesh for his six years on the CEE and all of his great work with paper sessions, workshops, and other projects. Bill announced that after this meeting he will be leaving the CEE after serving his six years as chair. AEA President George Akerlof has appointed Michael Watts as the new CEE chair and Randall Kroszner as a member. Their first three-year terms begin at the completion of this meeting.

#### 2. Past Minutes

The minutes of the meeting of January 8, 2005 in Philadelphia were approved as written.

#### 3. Boston Sessions

Bill asked for a report on the 2006 AEA sessions organized by the CEE. The responses from the CEE members were positive on the six AEA-CEE sessions that had been conducted.

*a. Paper Session #1:* “Research on Teaching Innovations” was organized by Paul Romer and chaired by Charles Ballard. The paper by Susan Pozo and Charles Stull studies the results of a required mathematics unit on students’ overall class performance. The second paper by Sheryl Ball, Catherine Eckel, and Christian Rojas reports the results of a controlled experiment testing the effectiveness of the Wireless Interactive Teaching System (WITS) at Virginia Tech. The third paper by Wayne Grove and Tim Wasserman reports results in cognitive achievement gains in an introductory economics course by assigning graded problem sets. The session discussants were Julian Betts, Frank Levy, and Michael Murray. The three papers will be published in the May 2006 issue of the American Economic Review: Papers and Proceedings. The session drew about 50 attendees.

*b. Paper Session #2:* “Research on Ph.D. Programs in Economics” was organized by Wendy Stock and chaired by Alan Krueger. The paper by Aldrich Finegan and John Siegfried analyzed Americans who were admitted to Ph.D. programs in economics, but who did not enroll. The second paper by Aldrich Finegan and Wendy Stock investigated attrition in doctoral programs in economics. The third paper by Wendy Stock and John Siegfried examined elapsed time from entry to a Ph.D. program to completion of the degree for the class of 2001–2002. The session discussants were Jeffrey A. Groen, Robert E. Hall, Richard Freeman, and Alan Krueger. The three papers will be published in the May 2006 issue of the American Economic Review: Papers and Proceedings. It attracted about 50 attendees.

*c. Paper Session #3:* “Teaching and Testing in Undergraduate Economics” was organized and chaired by Michael Watts. The paper by Michael Watts and William Becker reports new evidence on whether classroom practices have changed over the past decade and in what percentage of different kinds of classes and schools. The paper by KimMarie McGoldrick investigates the degree to which institutions have responded to the Siegfried et al. recommendations (1991) that every student should be required to

'do economics.' The paper by William Walstad and Michael Watts reports on the test development and preliminary results of the fourth edition of the Test of Understanding of College Economics (TUCE). The paper by Paul Grimes, Jane Lopus, Rodney Pearson, and William Becker examines the effects of mandated human subjects protocols on the amount of research in economic education. Charles Holt, John Siegfried, Theodore Bergstrom, and Claudia Parliament served as discussants for the session. It attracted about 50 attendees.

*d. Workshop #1:* "Teaching Introductory Microeconomics" was organized and chaired by Daniel Hamermesh. It featured presentations from Kenneth Elzinga, Daniel Hamermesh, and G. Dirk Mateer, all of whom have substantial and varied experience in teaching introductory microeconomics at different universities. About 40 people participated in the session.

*e. Workshop #2:* This session was devoted to the new Teaching Innovations Program (TIP) for economics instructors described at the beginning of this report. The workshop was organized by Michael Salemi, and presentations were made by Gail Hoyt, Mark Maier, KimMarie McGoldrick, William Walstad, and Michael Salemi. The session explained the instructional content, likely experience, and benefits for economic faculty members who enroll and participate in TIP. About 40 people attended the session and several spoke about their positive experiences with the 2005 TIP workshops and follow-on activities.

*f. Workshop #3* (held after the meeting): The third workshop was a poster session organized and directed by Rae Jean Goodman. It included fourteen poster contributions on teaching ideas and projects for the undergraduate economics curriculum: (1) Using creativity in assessment to teach economics (Mary Ellen Mallia); (2) Techniques and effectiveness of interactive classroom instruction software (Michele T. Villinski); (3) Using surveys to teach economic concepts (Kirsten K. Madden); (4) Using personal response system clickers in principles (Martin Milkman and Barry Brown); (5) The lesson of the winner's curse: An example from the economics of sports (Suzanne Heller Clain); (6) The concept quiz as a technique for actively engaging students (Gail Mitchell Hoyt); (7) Writing to learn economics (Raymonda L. Burgman); (8) Using a keypad response system in a large lecture course (William Dawes and Jacqueline Wilks-Nelson); (9) The use of an interactive simulation game to teach microeconomics (Steven Gold); (10) The effectiveness of team-based learning in building content knowledge and problem solving skills in principles of macroeconomics (Paul Hettler); (11) Teaching economics with tunes (G. Dirk Mateer); (12) Why my doctor is a Kantian and my car mechanic is an Aristotelian: Understanding ethics in economics (Jonathan B. Wright); (13) A learning object for macroeconomic principles (Marilyn Cottrell); and (14) A simulation of counter-cyclical intervention: Lessons for theory and practice (Nathan D. Grawe). There were about 60 attendees at this session.

*g. Directors of Undergraduate Studies.* For the second time, the CEE offered a session for faculty members who serve as directors of undergraduate studies to give them an opportunity to discuss issues of and share information. The session was directed by Paul Romer. About 20 people attended this session.

*h. High School Initiative.* For the third time, the CEE sponsored a program for high school teachers of economics. This program is conducted in cooperation with the National Council on Economic Education (NCEE). Only 5 teachers attended the workshop session.

#### **4. Program for the January 2007 Meetings in Chicago, IL**

*a. Paper Session #1:* Alan Krueger presented a proposal for a 2007 session on "The Market and Pre-Market for Graduate Students in Economics." This session would consist of three papers: (1) "Initial Positions, Long-Term Outcomes, and Organizational Structure in the Market for Economists" (Paul Oyer); (2) "The Search for Talent: Doctoral Completion and Research Productivity of Economists" (Wayne Grove and Stephen Wu); and (3) "What Does Performance in Graduate School Predict? Graduate

Economics Education and Outcomes of Graduate Students (tentative) (Susan Athey, Lawrence Katz, Alan Krueger, Steven Levitt, James Poterba, and possibly David Card). Alan described the purpose of each paper and the related dataset. A decision was made by the CEE to approve the content and papers for the session. David Colander, Michael Salemi, and Wendy Stock volunteered to serve as discussants or session chair if Alan so desired. These papers would be slated for publication in the AER Papers and Proceedings (May, 2007).

*b. Paper Session #2:* Michael Watts presented a proposal for a session on “Evaluation and Time Allocations in Teaching Economics.” The four papers would be: (1) “Student Evaluation of Teaching Revisited” (Bruce Weinberg, Belton Fleiser, and Masanori Hashimoto); (2) “Time Allocations and Reward Structures from Academic Economists from 1995–2005: Evidence from Three National Surveys” (Cynthia Harter, Michael Watts, and William Becker); (3) “Time Allocations to Undergraduate and Graduate Teaching in Economics and Other Disciplines” (Sam Allgood and William Walstad); and (4) “The Long-term Effects of Economics Coursework on College Graduates’ Behavior and Outcomes in the Labor Market” (Sam Allgood, William Bosshardt, Wilbert van der Klaauw, and Michael Watts). The discussants are yet to be identified.

*c. Paper Session #3:* Congress first authorized the Excellence in Economic Education (EEE) Act (20 USC 7267) as a part of the landmark No Child Left Behind Act, and appropriated \$1.5 million for EEE in the fiscal year 2004 and again in 2005. After a competitive review of applications, the National Council on Economic Education (NCEE) was awarded the annual grant to conduct this program. The NCEE in turn must allocate three quarters of EEE funding to state and local education organizations to carry out the purposes of the program. One EEE purpose is to fund research and evaluation studies of projects to improve economic and financial literacy in the schools. To date about 30–40 such research and evaluation studies have been funded through the EEE grant.

The plan for the AEA-CEE session would be: (1) A review panel would be designated that consists of the above three session organizers and perhaps other appropriate individuals. (2) In mid-January, 2006, a request for proposals (RFP) would be sent to the EEE grant recipients working on research projects, and it would ask them to submit a proposal for a paper presentation at the 2007 AEA meetings that would report preliminary or final results from their grant projects. (3) May 1, 2006 would be the deadline for the submission of a paper or abstract for the review panel. (4) The panel would review the papers or abstracts and select the best 3–4 for presentation at the session. Authors would be notified by June 1, 2006 of their acceptance. (5) It may be the case that one presentation slot would be reserved for a paper that summarizes the key findings from all EEE activity. The session would be organized by Elizabeth Webbink, William Walstad, and Michael Watts.

*d. Workshop #1:* The discussion turned to the three active learning workshops. No proposals had been offered for these workshops, so the CEE considered several suggestions. It was decided that the first workshop would be organized by Paul Romer with the assistance of Kenneth Elzinga. It would focus on a teaching topic (to be decided) and presenters would be sought to fill the program based on the contacts of the organizers.

*e. Workshop #2:* The second workshop would be another informational and recruiting workshop on the Teaching Innovations Program (TIP). The workshop would feature 4–5 presentations on TIP workshop experiences and follow-on activities from selected participants in the 2005 or 2006 TIP classes (about 140 total). Michael Salemi would take responsibility for organizing it. He also volunteered to organize two CEE workshop sessions on TIP in case that was necessary.

*f. Workshop #3:* The third workshop session would be the traditional poster session. Rae Jean Goodman volunteered to organize it again this year.

*g. Director of Undergraduate Studies:* Paul Romer agreed to coordinate and direct this session again. It was recommended that in the advertisements or mailing on this session that those DUS directors who could not attend be told they could send a substitute from their institution.

*h. High School Program:* Elizabeth Webbink from the National Council on Economic Education will work on this initiative. Plans are being made by the NCEE to improve recruitment for 2007 using the Global Association for Teachers of Economics (GATE).

## **5. Ideas for CEE Program at ASSA meetings (January 4-6, 2008, New Orleans)**

### **a. Paper Session #1 for 2008 meetings**

Bill Walstad explained that proposals for paper sessions were typically organized and presented to the CEE over a year before the actual session. He had asked Michael Watts to develop a formal paper proposal for a 2008 CEE session that would go into the May 2008 American Economic Review: Papers and Proceeding. Mike Watts offered his first thoughts on such a session to the CEE to get their feedback about the viability for such a session. He suggested that the session focus on Assessing Outcomes in Economic Education at different educational levels. The first paper would focus on findings from the administration of National Assessment of Educational Progress (NAEP) administered to high school students. The second paper would be devoted to analysis of the results from the Test of Understanding of College Economics (TUCE) given to principles students. The third paper would be a survey study of assessment practices in college and university courses. A fourth paper has yet to be identified, but it would be best if one could be found that focused on outcomes from the economics major. The CEE was in general agreement with the direction for such a session and the suggested paper, pending data availability, and gave approval for Mike to prepare a formal proposal to be considered at the 2007 meeting.

### **b. Paper Session #2 or #3**

David Colander expressed his interest in having a CEE session on the core content for graduate programs in economics. Michael Watts also stated that he would like to encourage people to submit papers for possible presentation in 2008 by issuing a call for papers or proposals from the CEE. The submitted materials could be reviewed in perhaps December 2006 and then the best one could be used to prepare paper session proposals for 2008 that the CEE would consider at its January 2007 meeting. Perhaps these papers could be slated for publication in a special issue of the Journal of Economic Education as has been the case with some prior CEE paper sessions. Mike will work on developing paper sessions #2 and #3 with interested CEE members.

### **c. Workshops**

There were no ideas suggested for workshops for 2008, so that topic is still open, but there is plenty of time to develop a proposal.

## **6. Reports**

### **a. Journal of Economic Education**

Bill Walstad stated that the JEE annual report was mailed to the CEE members in December (for a copy see: <http://www.indiana.edu/~econed/anrpts.htm>). He stated that Bill Becker and Sue Becker continue to do a great job with managing and editing the JEE. He thanked Bob Duvall from the National Council on Economic Education for its on-going support of the JEE. Several highlights from the report include: (1) the JEE is now included in JSTOR; (2) Heldref (the JEE publisher) will soon be taking over web access to JEE articles and charging for downloads; (3) there is continuing concern about the decline in the number of subscriptions. Bill stated that he gave special attention to the JEE in his report to the breakfast for the

economics department chairs and distributed copies of the Fall 2005 issue of the JEE with a discount coupon.

#### **b. National Council on Economic Education (NCEE)**

Bob Duvall, President of the National Council on Economic Education, gave the NCEE report that described the recent major activities and publications of the NCEE for CEE members. Of particular note were: (1) the \$1.5 million in funding for the Excellence in Economic Education and the research and pedagogical activities the NCEE will be supporting with these funds; (2) a national conference on economic and financial literacy that was held in Washington on March 3, 2005; (3) the work on the National Assessment of Educational Progress (NAEP) test in economics; and (4) a grant for \$3.5 million from the Ewing Marion Kauffman Foundation for entrepreneurship education programs at the pre-college level.

#### **c. “Teaching Innovations Program” (TIP)**

Michael Salemi gave a report on the CEE-sponsored “Teaching Innovations Program” (TIP) for faculty members in economics. It is funded by a \$675,000 grant over five years from the National Science Foundation and is co-directed by William Walstad and Michael Salemi. A major development in 2005 was the launch of the first phase of the project which consists of workshops for faculty members on interactive teaching strategies. Two such workshops were held in 2005—one at the University of North Carolina and one at Georgetown University. The staff included Denise Hazlett, Mark Maier, KimMarie McGoldrick and the two project directors. There were 104 applications from economics instructors to attend the workshops and 36 participants were selected to attend each one. Future workshops will be Santa Fe (2006), Chicago (2006), Boston (2007), and Santa Barbara (2007). The faculty ratings were very positive for each workshop. The second phase of the project involves on-line instruction for faculty members at their home institutions to help them apply the new teaching strategies they learned at the workshops in their undergraduate courses. That on-line instruction phase was also started in 2005 with the development of instructional modules on assessment, classroom experiments, cooperative learning, and discussion and enrollment in the modules by the majority of the 2005 workshop participants. In Phase 3, they will have opportunities to advance the scholarship of teaching and learning in economics by sharing teaching experiences, writing papers, and attending meetings on teaching. A more detailed description of TIP and information on how to apply for workshops can be found at: [www.vanderbilt.edu/AEA/AEACEE/TIP](http://www.vanderbilt.edu/AEA/AEACEE/TIP)

#### **d. CEE Annual Report**

Bill Walstad invited Committee members to make suggestions to him about the Annual Report. It will appear as is in the May 2006 American Economic Review: Papers and Proceedings.

### **7. New Business**

#### **a. Website Request**

Bill reported that after CEE input last year, the AEA Executive Committee decided to go ahead with developing a website to provide information on undergraduate or graduate study in economics, and careers in economics. John Siegfried would have more information on its development status.

#### **b. Research Training Program**

Michael Watts and Bill Walstad proposed to work with other interested economists and organizations to pursue funding for a new training program in econometrics with application to economic education. It would target empirical methods that have been developed and used more extensively in other fields of economics over the past 10–15 years (for example, see “Symposium on Econometric Tools” by Alan Krueger and related articles on different econometric methods in a special issue of the Journal of Economic Perspectives, Fall 2001, 15:4). If possible, it would be hosted at a premiere university to make

it attractive to many economists. The faculty leaders or individual presenters for such a training program would be drawn from those JEE editors or board members with a strong interest in advancing econometrics such as Bill Becker, Bill Greene, Peter Kennedy, and Alan Krueger, and from other distinguished scholars such as Nobel laureate Jim Heckman. Rather than developing a new data set for the participants to use for applying the econometric techniques, we envision presentations on a wide range of existing data sets. Some of the data set would be derived from testing and survey studies or projects that have been conducted in economic education such as Chalk and Talk surveys, the Test of Understanding of College Economics (TUCE), or the Harris public opinion surveys on economic literacy. Other national data sets used for training sessions might be those that have been shown to have applications in economic education such as Baccalaureate and Beyond, the National Survey of Postsecondary Faculty, and the National Longitudinal Survey of Youth. The primary goals of such a program are to: 1) improve the quantity and quality of research papers being written and published in economic education; and 2) to attract a new generation of economists to research in economic education. The costs for such a program would be determined based on program length, number of participants and presenters, preparation of the data sets, and overhead.

**c. Resolution**

Michael Salemi proposed the following resolution: “Whereas he has provided us excellent leadership throughout the tenure of his chair, and whereas the work of the Committee has flourished under his leadership, be it resolved that the Committee formally thanks William Walstad for his valuable service.” The resolution received a unanimous approval.

The meeting adjourned at 2:20 p.m.

Respectfully submitted by William Walstad