School of Economics Annual Report - 2011-2012

Usha Nair-Reichert, Interim Chair

Part I. Examples of the Impact of the Research Done by SOE Faculty.

Black Americans and the Economic Recovery

Professor Thomas “Danny” Boston’s research on entrepreneurship and firm growth, public economics and urban economics focuses on minority and small businesses and the impact of public housing policies on families and neighborhoods. Frustrated by the lack of timely data and information on small businesses, he launched the Gazelle Index (www.gazelleindex.com) in November of 2011. The blog focuses on the economy and small businesses, including: minority and women-owned business performance and hiring. Professor Boston is a regular economics contributor to CNN. He has testified numerous times before Committees and Subcommittees of the US Senate and House of Representatives regarding the impact of federal policies on minority business performance and federal housing policies on low income families and neighborhoods. He was invited by the White House in April 2012 to discuss the employment and income status of blacks during the recovery. His work on minority small businesses has influenced and impacted public policy in this area.

Professor Boston concluded from his research on the employment and income status of blacks during the recovery that:

1. The burden of unemployment falls heavily upon blacks.
2. Economic growth is important but by itself, growth is not enough.
3. Incremental policy changes are not likely to make a significant difference. Instead, a concerted multifaceted effort is needed to break through the tremendous racial disparity in employment and income.

These challenges are deep-seated and multifaceted. Therefore, incremental policy changes such as job training programs are important, but are not likely to make any significant difference. As such, Professor Boston has proposed that the Administration create a National Commission on Black Employment to identify the most appropriate
policy solutions for dealing with the multifaceted problems that contributed to the large racial disparity in employment.

Human Capital Development in China

Professor Haizheng Li is a leading expert on human capital development in China, and has had significant influence on China’s public policy. He has been at the forefront of trying to improve China’s data infrastructure for research. In 2010, he conducted a policy study for China National Science Foundation (NSFC) on large data projects such as survey data collection and data sharing platform. He conducted in-depth research and proposed a detailed policy framework which he presented to policy makers at various levels. His recommendations were very well received and as a result, in 2011, China NSFC for the first time set up a special fund in the amount of RMB 13 million (USD 2 million) for that year to support large data projects. More funding will be set up in later years. Because of the large investments in these data projects, the China NSFC has commissioned Professor Li to conduct research on supervising/managing large data projects. Based on his recommendations, China NSF established an Expert Advisory Board to review and supervise large data projects, and invited Professor Li to chair the Board with a 5-year term.

Professor Li’s work on human capital has also been widely recognized in other national and international forums. The World Bank included, as a chapter, some of his work on China human capital in its 2010 official report, The Changing Wealth of Nations. The Ministry of Education of China included some of his work on China’s human as a chapter in its 2012 official publication in its series "Education in Big Nations.” The Beijing Municipal Government also included some of his work on China’s human capital as a chapter in its official Blue Book 2011. Due to his work on China’s human capital,
Professor Li has been invited to join a large research project, "Lifelong Learning, Innovation, Growth and Human Capital Tracks in Europe," funded by the European Union, with eight teams from different countries. He is leading the China team to work on individual skill measurement.

Georgian Tax Reforms: Enhancing Competitiveness

Professor Christine Ries is a specialist in international finance, markets and organizations, and economics of the firm. As a member of the Special Council for Tax Reform and Fairness for Georgians, her work has influenced tax policy in Georgia. The leadership of the Georgia State Assembly in May 2011 commissioned this group of eleven Georgians including four economists, Gov. Perdue, and distinguished representatives of small and large business communities, agriculture, accounting, and other industries to recommend reforms to the Georgia tax code. The group’s mandate was to make recommendations that would promote a more efficient Georgia economy, increase the efficiency and competitiveness of companies already in Georgia, and make Georgia a more attractive destination for new out-of-state investments.

The Special Council for Tax Reform with its goal of delivering a pro-growth reform package recommended permanently lower marginal income tax rates as an effective way to promote growth. Lowering the marginal tax rate would, for example, increase incentives for work, entrepreneurial risk taking, and expansion of business activities. They recognized that Georgia competes directly for new investments with several surrounding states that boast of personal income tax rates of 0%. In addition, 75% of the new jobs in the country come from small business and 80% of all businesses file under personal income tax schedules rather than corporate income tax schedules. Hence, the group recommended flattening and cutting the state personal and corporate income tax rates from 6% in stages to 4%. The group was not able to recommend an overall tax cut because the state’s budget has been under severe strain due to the continuing recession and to a reduction in transfers from the federal government.
Part II. Metrics.

II. Enrollment

f. Minors (SOE) (Summer, Spring, Fall):
   1. Summer AY11 - 2
   2. Fall AY11 - 8
   3. Spring AY12 - 14

g. Certificates (SOE) (Summer, Spring, Fall):
   1. Summer AY11 - 1
   2. Fall AY11 - 0
   3. Spring AY12 - 2

j. Work Experiences:
   ii. Internships
      1. Undergraduate : 8
      2. Masters: 2

III. Students

A. Graduated with Honors

<table>
<thead>
<tr>
<th>Graduated with Honors</th>
<th>Summer AY2011</th>
<th>Fall AY2011</th>
<th>Spring AY2012</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Highest</td>
<td>1</td>
<td>1</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>High</td>
<td>2</td>
<td>0</td>
<td>4</td>
<td>6</td>
</tr>
<tr>
<td>Honors</td>
<td>1</td>
<td>1</td>
<td>8</td>
<td>10</td>
</tr>
</tbody>
</table>

B. Undergraduate Productivity

a. Publications: 0

b. Performances: None

c. Papers presented:
Kate Wharton, presented at the UROP workshop at Georgia Tech.
Other conference participation: Thomas Marion attended Gulf Conference in Bahrain as a part of AIESEC and represented Georgia Tech and the United States. He also attended the Youth to Business Workshop.

d. Grants: None
e. Awards:
   - Kate Wharton, Fall 2011, Presidents Undergraduate Research Award; 1996 Olympic Envoy Program Legacy Award.
   - Julianne Camacho, Omicron Delta Epsilon Outstanding Senior Cup
   - Matthew LaGrone, Outstanding Economics Student Award
   - Gabrielle Eichenblatt, Excellence in Global Economics and Modern Languages Award
   - John Shaheen, Excellence in Global Economics and Modern Languages Award

f. Acceptance into Grad/Professional programs:
   - Katy Chow - Accepted as graduate student at Georgia Tech.
   - Stephanie Jackson – Accepted as graduate student at Georgia Tech.
   - Theresa Mahfood – Accepted at University of Maryland, Law School.

 g. Job acceptance: This is the latest information we have.
   - Kate Wharton, Federal Analyst for Deloitte Consulting in Washington, DC.
   - John Shaheen, Goldman Sachs in New York.
   - Nanki Walia, Consultant in mergers and acquisitions at PricewaterhouseCoopers (PwC).
   - Rachel Theil, Pricing Analytics at The Home Depot

h. Other-Internships:
   - Erik Steiner - Lexington Institute and has been accepted into the Washington Scholars Fellowship Program.
   - Emily Boone - Smith & Howard
   - Karolyn Champlin - SapientNitro
   - Katherine Hawkins - Digital Assent
   - Ashley Jameson - PureAir Filtration
   - Cameron Moore - Raymond James
   - Michael Peterson - Genius 7 Media Group
   - John Shaheen - Federal Reserve Bank of Atlanta

C. Graduate Productivity

a. Publications: None

b. Performances: N.A.

c. Papers presented: Xiuli Sun and Mingge Wu both have papers accepted for the forthcoming Southern Economics Association Conference.

d. Grants: None
e. **Awards:** None

f. **Acceptance into Grad/Prof programs:** This is the latest information we have.

- Saliha Ergun, accepted into the Ph.D. programs at CUNY and Bilkent University in Turkey.
- Wen Zheng, offered assistantship and fellowship for Ph.D. program in Business Strategy, University of Illinois-Urbana.
- Jingwen Qu, offered GTA to SOE Ph.D. program.
- Tracy Cui, offered assistantship for Ph.D. in Quantitative Psychology program, University of Southern California.
- Yue Fang, accepted to Ph.D. program, University of Michigan Ross Business School.
- Zhe Han, acceptance to the Ph.D. program in Marketing at Emory University.

g. **Job offers/acceptance:** This is the latest information we have.

- Sarah Kutzberger, Analyst with Mather Economics (Roswell, GA).
- Wan Zheng received a job offer from a marketing company ‘DMC Atlanta’. (not sure if she accepted it).
- Shixuan Wu, Bank of America, Quantitative Management Associate Program.
- Junqi Wen, marketing assistant at Yosir Co. in California.
- Qing Han, Marketing Associate with Aflac.
- Fengyun Xiao, Analyst, Capital One
- Gowri Thampi, Business Analyst, Analytical Mechanics Associates
- Ajit Dodahni, Capital One

h. **Other-Internships**

- Sarah Kutzberger - internship in Community and Economic Development at Georgia Power.
- Henan Li has an internship for Summer 2012 with the Atlanta company Airwatch.

D. **New Degree Program/Courses**

- ECON 7025 Empirical Research Methods
- ECON 7102 Environmental Economics I
- ECON 7103 Environmental Economics II
- ECON 7111 Industrial Organization I
- ECON 7112 Industrial Organization II
- ECON 7121 International Economics I
- ECON 7122 International Economics II
Minors and Certificates:
The SOE is also participating in the Energy Minor.

F. Other:

III. Faculty (period under review March 1-Feb 29)

1. New faculty hired:
   Tenure track: None
   Visiting Appointments: Visiting Assistant Professor Johnson Kakeu (Univ. of Montreal), Environmental and Natural Resource Economics Industrial organization rehired for another year.

2. Significant leaves of absence, visiting professorships, invitations to speak

   Leave of absence: Mikhail Klimenko, Spring 2012.

   Visiting Positions:
   - Willie Belton: Adjunct Professor, Korea University.
   - Vivek Ghosal: Visiting Professor, Jönköping International Business School (Sweden), School of Public Policy and Management, Korea Development Institute (Seoul, Korea), Automotive Institute for Management, European Business School (Oestrich-Winkel, Germany).
   - Mikhail Klimenko: visiting positions at the SKEMA School of Management (France), the Toulouse School of Economics (France) the Hong Kong University of Science & Technology and the University of Hong Kong.
   - Haizheng Li: Special Term Overseas Professor, Renmin University of China, University Lecture Professor, Hunan University.

Testimonies and Government Service:

Thomas Boston, President’s Council of Economic Advisors White House Meeting on African Americans, Jobs and the Economy “Growth is Not Enough” April 11, 2012.

Thomas Boston, Board of Governors of the Federal Reserve System, the Federal Reserve Bank of Atlanta, and the Ewing Marion Kauffman Foundation Conference on “Small Business and Entrepreneurship during an Economic Recovery” November 9-10, Washington, DC.

Thomas Boston, Testimony, US Senate Roundtable Discussion on Job Creation and Minority Business Development, Committee on Small Business
and Entrepreneurship, Roundtable Co-Chaired by the Hon. Senator Mary L Landrieu and Hon. Congressman Chaka Fattah, September 22, 2011.

Christine Ries, Testimony Special Joint Committee Georgia Assembly regarding Tax Reform in Georgia, 2011.

**Special Reports:**


**Keynote Addresses:**


Thomas Boston, Georgia Minority Business Summit, “State of Minority Business”, Galleria Center, Atlanta, GA.


**Examples of Notable Invited Lectures:**

Thomas Boston, Chancellors Distinguished Speakers Series, Fayetteville State University, “Growth Without Jobs” November 17, 2011.


Christine Ries, presentation on tax reform to the Technology Association of Georgia, March 23, 2011.

**Other invited lectures:** 9

**Invited seminars at universities and academic venues:** 29

**Panels:**
Haizheng Li invited by NSF China to Chair an Expert Advisory Board on large data projects for a 5-year term.


3. Publications

A. Books: None

B. Articles and Papers:

   a. Single authored, peer reviewed- 6
   b. Co-authored, peer reviewed- 12
   c. Chapters in Books- 4
   d. Presentations at conferences- 24 (this is not including the 29 invited academic presentations mentioned earlier)

   Publications in Conference Proceedings- 2
   e. Presentations at workshop/seminars- 6

4. Awards

   a. Book- None
   b. Article- None
   c. Teaching-

**Thank-A-Teacher Award Recipients:** Willie Belton, Thomas Boston, Juan Moreno-Cruz, Byung-Cheol Kim, Shatakshee Dhongde, Eric Johnson, Levent Kutlu, Haizheng Li, Kaushik Mukhopadhattaya, Usha Nair-Reichert, Fritz Richard, Christine Ries, Derek Tittle.

**Class of 1969 Teaching Scholar, Georgia Institute of Technology:**
Levent Kutlu, Juan-Moreno-Cruz, Shatakshee Dhongde.

Ruth Uwaifo-Oyelere- 2012 ISERF, Georgia Tech.  
2012 Class of 1934 Special faculty Award for Teaching Effectiveness, Georgia Tech.

5. New Research Grants

Sponsored Research:

- Haizheng Li, PI, “Human Capital and Skill Formation,” European Union Grant, additional funding $144,860.

- Thomas Boston, PI, University Transportation Center, “Economic Development and Workforce Impacts of State DOT Highway Expenditures” April, 2012; $225,000, Co-PI Ruth Uwaifo.

- Thomas Boston, Co-PI, with C. Ross, Pew Charitable Trusts (2011-) Health Impact Assessment (HIA) of Atlanta Regional Plan 2040, $144,992.

- Thomas Boston, Co-PI with C. Ross, M. Woo, M. Elliot, Georgia Department of Transportation (2011-) Impact of Regional SPLOST on County Infrastructure $150,000 Contract Research Project No. 4906002.

- Vivek Ghosal, Transportation Equipment Manufacturing Study, $91,417.68.


IAC Small Grants for Scholarship:
Vivek Ghosal ($7,500), Tibor Besedes ($7,500), Ruth Uwaifo Oyelere ($7,500)

GTF Grants:
6 faculty received GTF grants, totaling $17,479.

Other Awards/recognitions:
Haizheng Li- Ivan Allen Faculty Legacy Award, IAC of Liberal Arts,
Georgia Tech.

Ruth Uwaifo-Oyelere- 2012 ISERF, Georgia Tech; selected as a 2012 participant in a 3 year program sponsored by Calvin College in Michigan focused on the economics of global poverty.

Tibor Besedes attended the Leadership Roundtable.

Usha Nair-Reichert was one among the two Executive Leadership Institute scholars from GT during 2011-12.

Olga Shemyakina- was selected for then CeMENT: Mentoring for Junior Faculty Workshop, CSWEP 2012.

6. **Other professional activities**

   a. elective office in professional society-1
   b. national committee chairs- 1
   c. non-elective office in professional society- 0
   d. edit journals or special issues of journals- 0
   e. editorial board members- 3
   f. national and international committees- 4

7. **Media Coverage**

   Danny Boston - Monthly appearance on CNN regular and primetime to discuss the Department of Labor national unemployment figures and economic events. Other media appearances include ABC TV, New Orleans Affiliate, Atlanta Constitution/Atlanta Journal, Atlanta Business Chronicle, Atlanta Tribune, Black Enterprise, Detroit News, National Public Radio, Pacifica Radio, KPFA in San Francisco and KPFK in Los Angeles, WWRL, a New York City radio talk show, and Wilmur Leon, Show, XM Radio.

   Christine Ries - as a member of the Council on Tax Reform and Fairness for Georgians, she has written articles for the Atlanta Journal Constitution, Wall Street Journal and a podcast for the Tax Foundation. She also appeared in the movie “Making the Grade in Georgia: The Movie” Her appearances on Radio and Television include the Bill Bennett’s Morning in America, The Denny Show, Insana Quotient, Wisconsin Public Radio, the Al Gaine Show, WDUN and Stateline, Pew Center on the States.

   Tibor Besedes – interviewed by the Atlanta Journal Constitution on changes after the Great Recession.
8. **Other professional output such as performances, products and installations:** None

9. **Other indications of faculty impact**

   Thomas Boston provided oversight and technical training on Millennium Development Goals to Members and staff of the Free State Provisional Legislature, South Africa. He was also a member of the Atlanta Business League Chairman’s Council, Atlanta Federal Reserve Advisory Council on Small and Mid-Size Businesses, and the Black Enterprise Board of Economists. He was also Vice President, West Virginia State University Board of Governors.

   Usha Nair-Reichert conducted Financial Literacy classes at English Avenue. She also serves on the Board of Trustees of The Trinity School in Atlanta.

10. **Faculty activities promoting diversity at Tech**


   Usha Nair-Reichert participated in several initiatives and events by the Office of Diversity, including the trip to Montgomery and the faculty dinner conversation on inclusive excellence and faculty diversity. She served as a member of the Ford Foundation Review Panel for Humanities and Social Sciences for 2011-12, which also supports underrepresented groups.

III. **Staff (period under review March 1-Feb 29)**

   A. New staff hired- None
   B. Awards- None
   C. Staff activities promoting diversity at Tech
      
      The SOE also promoted work life balance and supported the request by Ms. Jyldyz Hughes to work part time from home after child birth when her medical leave ended. She also continued with flex time and telecommuting for several weeks in early 2012 after her return to work.