

FOR INFORMATION

**SIMON FRASER UNIVERSITY
OFFICE OF THE VICE-PRESIDENT, ACADEMIC
MEMORANDUM**

To: Senate
From: J. M. Munro, Chair
Senate Committee on Academic Planning
Subject: External Review - Department of Economics
Date: March 17, 1994

Attached for the information of Senate is a summary of the external review of the Department of Economics which was carried out in June, 1993. The report and the response of the Department were reviewed by the Senate Committee on Academic Planning at its meeting of February 16, 1994 and the Committee approved a motion to receive the report. The full report and the response by the Department are available from the Secretary of Senate for senators to review.

The review team had the following membership:

Chair: Dr. James R. Melvin
Chair, Department of Economics
University of Waterloo

Members: Dr. G. Frank Mathewson
Professor, Department of Economics
University of Toronto

Dr. John McCallum
Professor, Department of Economics
Dean of Arts
McGill University

Dr. W. Cleveland of the Department of History was the internal member of the committee.



External Review - Department of Economics Summary

Undergraduate Program

The review committee noted that the structure of the undergraduate program differs from many other undergraduate programs; however, a complete overhaul of the undergraduate curriculum had recently been undertaken which was felt to have resulted in substantial improvements. The committee recommended that the review of the Honours program continue.

Late tutorial assignments have contributed to difficulties with tutorials. The committee recommended that assignments be made well in advance of the first week of classes, and that t.a.s and faculty meet to coordinate their activities. Furthermore, faculty may not always be accessible to students and it was recommended that access by undergraduate students to faculty responsible for the course be encouraged.

Students in the joint majors in Economics and Business Administration appeared to face difficulties in conflicting course scheduling, and the review committee recommended that the Department should produce annually a handbook detailing program regulations and courses to be offered.

Graduate Program

The committee felt the quality of the graduates as seen by their success in obtaining appropriate employment reflected well on the quality of the graduate program. The committee encouraged the upcoming evaluation of the graduate program which will consider the current micro and macro offerings, and the question of exam timing and breadth of comprehensive examinations.

Faculty

The committee noted that the faculty complement is strong and dedicated to high quality teaching and research. Recent additions have strengthened the Department considerably. The committee warned that the salary scales at

SFU, particularly the ceilings, encourage faculty to seek other forms of remuneration and could lead to faculty eventually leaving.

Recruitment and coverage of the discipline were also discussed in the review. The committee noted that the Department did not have sufficient faculty to provide a core of three faculty in each area. The Department should avoid making isolated appointments to cover a particular field, since it is extremely difficult to work without the support of and interaction with other faculty. The review committee also recommended that new faculty should be given orientation to the Department and the University.

Research and Teaching

It was stated by the review committee that the department carries a very heavy undergraduate and graduate teaching load, and the distribution of the responsibilities is somewhat unequal, partly caused by the imbalance between theoretical and applied research, and partly caused by the semester system. The committee felt that a well-defined policy on research, teaching and supervisory responsibilities should be devised by the University.

Departmental Governance

The committee suggested that support staff meetings should be initiated to improve communication, identify issues and problems, and make the lines of authority clear. The committee also suggested that the Graduate Curriculum Committee should meet at least once a semester, and that the graduate students should be more organized and formally elect a representative to act as spokesperson for the group.

Relations between Economics and Other Units

The committee commented on the relationship between Economics and Business Administration. The principal area of concern affecting the Department is the position of Finance as an option in the Ph.D. program, and the joint appointments which were arranged when the Department of Economics and Commerce split into the Faculty of Business Administration and the Department of Economics. At the time of an impending retirement,

Economics will have to determine whether Finance is its highest priority position. If it is, the Finance option probably can continue. If Finance does not appear as its highest priority, the option should probably be discontinued unless other resources are made available. Another problem area noted by the review committee was the rationalization of the other joint appointments between Economics and Business Administration.

Gender Issues

The committee was critical of the Department with respect to significant problems in the area of gender bias in the Department and some reports of inappropriate behaviour. The committee recommended that a Gender and Racial Issues Committee be struck with representation from all the interested parties in the Department.

SIMON FRASER UNIVERSITY

DEPARTMENT OF ECONOMICS

**EXTERNAL REVIEW
JUNE 1993**

Report by:

G. Frank Mathewson, University of Toronto
John McCallum, McGill University
James R. Melvin, University of Waterloo

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REPORT OF THE EXTERNAL REVIEW COMMITTEE
FOR THE DEPARTMENT OF ECONOMICS
SIMON FRASER UNIVERSITY

1. PREAMBLE

The External Review Committee for the Department of Economics consisted of Professors Mathewson, McCallum, and Melvin and the Committee began its site visit on the morning of June 22nd. The external reviewers were joined by Professor Bill Cleveland from the Department of History. The Committee initially met with Dr. Evan Alderson and Mrs. Alison Watt, who outlined the procedures to be followed and indicated some of the areas that they hoped the report would cover. For the remainder of Tuesday and for Wednesday and Thursday the Committee met with faculty, support staff, undergraduate students, and graduate students. We also met with Dr. Shapiro, Dean of the Faculty of Business Administration and Dr. Clayman, Dean of Graduate Studies. Although we clearly did not meet with all faculty and students, it is our belief that any individual who wished to see us was able to do so, and if there are issues or difficulties that were not brought to our attention it was not because individuals were excluded from the process.

The External Review Committee's task was substantially facilitated by the presence of Professor Bill Cleveland, whose participation in both the formal and informal aspects of the review proceedings went well beyond the call of duty. Whatever success the review achieves is due, in no small measure, to Professor Cleveland's conscientiousness.

The Committee would also like to express its appreciation to all members of the Economics Department, including faculty, support staff and students, for their cooperation and for the hospitality shown to us.

2. OVERVIEW

In general we were very favourably impressed by the Economics Department at Simon Fraser University. The Department takes teaching very seriously and has a strong commitment to research. John Chant has done a first-class job as Chair and seems to have the support of almost the entire Department.

As is true in any department in any university, there are some difficulties, and some of these are identified below. For the most part these are minor in nature and it seems to us that adjustments to take care of the concerns expressed will be fairly straightforward. A major problem facing the Department is identified in Section 11. There is a strong feeling of cooperation within the Department, and there is a strong desire among all individuals—faculty, support staff, and students—that the problems that do exist be solved.

Reports such as these, for obvious reasons, tend to focus on weaknesses rather than strengths. It does seem to be important to begin by emphasizing the fact that, while not all of the problems

are minor, there is a serious willingness to solve them and a serious desire by all individuals to make the Department an even better place in which to work.

3. THE UNDERGRADUATE PROGRAM

The undergraduate program differs in structure from that found in most other Canadian universities. Among the differences most obvious to outsiders is the fact that the general degree is a four-year degree rather than three, that there are tutorials at all levels of instruction, that all fourth-year courses are seminars, and that many of the upper-year students are transfers from colleges. The overall program seems to have served the students well, and these differences are mentioned here only because they make comparisons with programs at other universities quite difficult.

The Department of Economics has recently undertaken a thorough review of the undergraduate program, and has put a number of rather fundamental changes in place. It is our impression that these changes have been well thought-out and will result in substantial improvements in the program. Because they are as yet untried, they should certainly be given a trial period before any additional changes are recommended.

Some of the more important of the changes recommended are consequences of the structure of the undergraduate program at Simon Fraser mentioned above. Having the basic theory course in the third year rather than in year two, as would be the case in many other universities, is a result of the Department's view that it must maintain some control of the theoretical skills of students transferring from colleges. The Committee feels that this is a very sensible approach. A series of field courses at the second-year level have been introduced, and it is anticipated that many of these will be taught at the colleges. This again seems like a very appropriate change and one which, as we understand it, has met with approval by the colleges.

Some concern was expressed about the structure of the honours program, and the Committee was surprised to find that the current registration in honours is only about five students. On reflection, however, this may not be too surprising. The four-year general program with the availability of fourth-year seminar courses makes the general program much more comparable to honours programs at other Canadian universities. In many universities the typical general student in a three-year program would not be exposed to the range of advanced courses available at Simon Fraser, and almost certainly would never have been in a seminar course.

But while the general program has characteristics found in honours programs in other universities, we nevertheless feel that some additional changes to the honours program would be appropriate. The Department is in the process of formulating plans to review the honours program and we think that this process should continue. We recommend, for example, that the Departmental Committee consider making the basic fourth-year theory seminar courses compulsory for the Honours Degree. Students also suggested that it would be appropriate to add some additional courses at the fourth-year level, and certainly some new courses would increase choice and would thus make the program more attractive. There is the obvious resource cost of adding new courses that must be considered, however, and given the current size of the honours program, designing new courses entirely for the honours students would not be efficient.

An issue that was raised in our discussions both with faculty and with students was the roll of the tutorials. While in general the tutorial system seems to work very well, and is a feature which adds strength to the current program, there were some areas of concern. It was reported that on occasion tutors were not aware of what had been covered in class and depended for their information on the students. There seemed, in particular, to be difficulties in the beginning of the semester when tutors did not know until well into the first week of term which tutorial sections they were responsible for. Faculty also noted that they had very little opportunity to prepare students for their initial tutorial sessions. It was observed that the assignment of tutors to sessions occurred rather later than is common in many other departments in the Faculty and that this resulted in some of the difficulties identified above. It is recommended that, if possible, tutorial assignments be made well in advance of the first week of class and that tutors be asked to meet with faculty to coordinate their activities.

Another problem that may relate to the tutorial system was the report that some faculty were not always accessible to students, either because they were not in their office or because they made it clear to students that they were not welcome. It seems possible that some faculty are using the existence of tutors as an excuse to avoid contact with undergraduate students. In so far as this is true, it does not seem appropriate and we would recommend that access by undergraduate students to faculty responsible for the course be encouraged.

A final concern expressed by students was the problem of coordination of joint programs and, particularly, the joint economics and business program. Students expressed the feeling that they were treated as second-class citizens in their dealings with the Business Administration faculty. They also noted that on occasion required courses in business and economics were scheduled at the same time, making it impossible to take both. There was also some concern about the clarity of regulations governing joint majors, and inconsistencies concerning rules for progression. It was felt by some that it would be helpful if the Department produced a handbook on a yearly basis, perhaps with amendments each semester, that would clearly spell out, not only the rules and regulations, but also the availability of courses in the foreseeable future.

4. THE GRADUATE PROGRAM

There was general satisfaction with the way the graduate program is operated. Students have generally enjoyed their experience and feel that they have been well served by the program. Both M.A.s and Ph.D.s have been very successful in obtaining appropriate positions, and given the state of the market this is a tough test. It is our impression, for example, that Simon Fraser Economics Ph.D.s have been more successful in the market than students from such places as the University of Western Ontario and the University of British Columbia. The success of M.A. and Ph.D. students in obtaining positions is certainly a reflection of the high quality of the program, but also indicates the much higher profile that the Department has enjoyed in the Canadian profession in recent years.

But while the program is basically strong there were some areas of concern. It is our understanding that a major evaluation of the graduate program will soon take place in the Department and in our opinion this is appropriate. Changes that are required for a graduate program are much more obvious to students and faculty in the Department than they are to

outside observers, and we are confident that the appropriate Departmental Committee can correct whatever minor difficulties presently exist. No two graduate programs in Canada are the same, and this is clearly a strength of the overall graduate system in Economics. Thus we will propose no specific changes but will simply identify some of the areas that have come to our attention as needing some further consideration.

Both faculty and students noted the need to reconsider the basic micro and macro sequences. At present there is an imbalance in the sense that there are more micro courses required than macro, and while we understand the historic reasons for this difference, the appropriateness under present circumstances needs to be reconsidered. Some concern was also expressed that some of the required courses do not prepare students for the comprehensive exams that they are required to take. There is, of course, no universal rule that comprehensive examinations should cover the material covered in the basic micro and macro examinations. In some graduate programs the material covered in comprehensives goes well beyond the course material. The point is simply that students should be aware of the relationship between the basic micro and macro courses and the comprehensive exams. If it is the Department's policy that the basic Ph.D. courses are a preparation for the comprehensive exams, then it is important that the theory courses cover the appropriate material.

There was a suggestion by some faculty that it would be preferable to have both the micro and macro comprehensive examinations taken in the same exam period. Some departments insist that students write both exams together, with perhaps a week or ten days between the two exams. Practice varies substantially from university to university, and the appropriate format for comprehensive examinations clearly is a function of the specific nature of the program. We are not recommending that a change be made, but only that it would be useful to consider whether the present format is the most appropriate one.

An issue raised by Dean Clayman and some faculty members was the length of time to completion for both M.A.s and Ph.D.s and the number of late withdrawals. We note first that, relative to the rest of the University, the Economics Department has a rather good record in terms of completion times. At the M.A. level, Economics is fourth best with a medium time of six semesters relative to the medium time of nine semesters for the University as a whole. At the Ph.D. level, Economics ranks fourteen out of eighteen with a medium completion time of eighteen semesters which is slightly higher than the University's average of sixteen semesters. Thus for M.A.s the Economics Department does significantly better than average and is not much above average at the Ph.D.

Relative to completion time in other Canadian Economics M.A. and Ph.D. programs the completion times at Simon Fraser seem relatively long, although this is an impression rather than a fact, since we do not have information on completion rates at other Canadian universities. There are several features of the Simon Fraser program that would tend to make completion rates slower. The work load for teaching assistants at Simon Fraser is significantly heavier than for most other universities in Canada. Even though we understand that the rate has been reduced recently at Simon Fraser, it is still higher than the mandatory maximum of ten hours per week allowed in Ph.D. and M.A. programs in Ontario, for example. Furthermore, students at many other universities typically work far fewer hours than the time for which they are paid. With the tutorial system at Simon Fraser this seems less likely to be true. Although there is undoubtedly

variation in the amount of time students spend on their tutorials, due in part to the fact that with experience the total preparation time can be reduced, it nevertheless seems clear that on average students at Simon Fraser spend more time working than they do at other comparable universities. One immediate consequence of this larger time spent on T.A. responsibilities is that the same course load cannot be carried that is common elsewhere. Thus, at Simon Fraser two or three courses per semester constitute a full load, whereas in most other universities four courses would be considered the normal load.

Another reason for slow completion times may be the fact that a large proportion of the graduate students work in part-time and in some cases even full-time jobs off campus. It has also been reported that many foreign students, who do not have the option of staying in Canada after their degree has been completed, may prolong their stay in the graduate program as a method of prolonging their stay in Canada.

But whether or not the completion rate in the Economics Department is slower than it should be, relative to other departments in Simon Fraser or to economics departments elsewhere, the principal issue would seem to be whether this completion rate adds substantially to the cost of running the graduate program, or is disadvantageous to students. In other words, the issue is whether there are significant resource costs to low completion times. Several faculty members to whom we spoke suggested that the resource cost did not seem to be large. Slow completion times often result from the fact that students take jobs at colleges or with the government before completing their degree, and while this slows down their program, because they are not holding T.A.'s, it does not impose resource costs on the University. Thus, while we feel that the issue of completion times needs to be carefully examined, this examination should be carried out in terms of what the real cost of slow completion times are for the Economics Department, the University, and the students.

Statistics provided by Dr. Clayman suggest that the time to withdrawal for M.A. and Ph.D. students was longer than would be desirable and certainly the statistics provided do suggest that withdrawals often do take place well into the program. There is some question, however, on the meaning and interpretation of these statistics. It has been suggested that some students withdraw well after they have actually left the University, and if this is the case then such late withdrawals really have no resource costs to the University. Furthermore, on looking through the withdrawals statistics we noted at least one student shown to have withdrawn who clearly has not done so. Indeed this student was on campus to do his Ph.D. final oral during the time of our appraisal. There would seem to be a need to examine carefully the withdrawal statistics to make sure that they accurately reflect real withdrawals, and whether such withdrawals result in resource costs to the University.

A concern about the graduate program expressed by several graduate students was the fact that communication between students and the Department is not always ideal. It was reported that students did not know their tutorial assignments until well into the first week of classes and some concern was expressed about how the tutorial assignments were made. In general, the students felt they lacked a forum for expressing their views and asking questions about how the program worked. Although students are represented on the Graduate Curriculum Committee, this Committee does not meet on a regular basis, making it difficult for students to organise or obtain the information they seek. We think it would be useful if the Graduate Curriculum Committee

held a regularly scheduled meeting at least once a semester, and that the students be advised well in advance of the meeting date so that any concerns they may have about the program and its administration can be brought forward and discussed. We will return to this issue in Section 9 later in the report.

5. FACULTY

The faculty complement is strong, and almost all seem dedicated to high quality teaching and research. The strong support for research that exists among the faculty is important and has resulted in a cohesion and single-mindedness in terms of the direction in which the Department should go that is not often found in economics departments in Canada. The virtual unanimity in the importance of research among faculty members has facilitated the important hirings that have taken place over the past six years. The recent additions to the faculty have not only strengthened the Department but have also significantly increased the Department's profile both nationally and internationally. While the Department would not be seen as ranking among the top two or three departments in Canada it could well rank in the top six.

The importance of the recent hirings, and the importance of retaining these recent recruits at Simon Fraser should not be under-emphasized. It would be very unfortunate for the Department and for the University if the high-profile individuals recently hired cannot be retained. An important issue here is salary, and it is noteworthy that Simon Fraser has salary caps that are both lower and more restrictive than exist in most comparable Canadian universities. The University must seriously consider ways of either removing these caps for selected individuals or providing some mechanisms that would allow salary increases for individuals that are above the current maximum levels. Without some loosening of the current restrictions it seems likely that some of the better faculty will eventually leave.

Another disadvantage of relatively low salary caps is that they encourage faculty to seek other forms of remuneration. Thus, if faculty feel that they are being underpaid for their academic contributions they will seek additional income through sources such as consulting. There is already a feeling among some faculty members that too much consulting is being done, and that this puts a strain on the limited resources available to the Department. Although there is no evidence that the current consulting practices are a consequence of salary ceilings, in the future such ceilings would be expected to result in more consulting and this will exacerbate the present problem.

In discussions with faculty members several issues in the research area were raised. One issue is the balance between theory on the one side and policy and empirical work on the other. An imbalance between theory and empirical analysis puts a strain on those faculty who specialize in empirical- or policy-related research. This is particularly evident in graduate supervision where M.A. projects and Ph.D. theses require supervision by someone familiar with modern empirical techniques.

Having identified the imbalance between theory and empirical work as a problem, we can offer no easy solutions. This is a problem which exists at most Canadian universities that have graduate programs, and although it will be of small comfort, the problem is clearly much less

severe at Simon Fraser than it is at some other departments in Canada. The source of the problem stems, at least in part, from the fact that a disproportionate share of the very bright Ph.D. students at major North American departments specialise in theory. For whatever reason, theoretical research seems to have been more highly regarded than solid empirical research. Thus, while there are some good empirical economists on the market in any given year, the preponderance of highly qualified people are theoreticians. Any attempt to hire "the best candidates" will therefore almost always result in more theorists being considered.¹ At the same time the demand for supervision of theoretical M.A. projects is almost nonexistent and the quality of Ph.D. students at Simon Fraser, and indeed at any Canadian university, results in a majority doing empirically-related theses.

An issue concerning recruiting was whether the Department should attempt to be broadly based and cover all areas or whether there should be more specialization. The Department is relatively small and its effective size is further reduced by the semester system which results in a significant number of faculty not teaching in any given semester, and by the fact that consulting activities reduce the time that some faculty spend at the University. As a consequence, any attempt to cover all the legitimate fields of interest in economics would result in one individual or at most two, in any given field. It is widely believed that research is substantially facilitated by the existence of a core of individuals that have similar or overlapping research interests. Some universities do not offer fields, for example, unless at least three faculty members have a primary or strong secondary interest in that particular area. The difficulty of working by oneself in a particular area, particularly for junior faculty, cannot be overestimated.

Given the faculty size, we have no recommendation regarding specialization versus a broad coverage of fields. We feel, however, that it is an issue that must be addressed by the Department. We did not detect any consensus on this matter in discussion with faculty members, but would recommend that serious attention be paid to this issue before new appointments are made.

A point made by a junior faculty is that there is little in the way of orientation for new faculty. Given that the program at SFU differs substantially from most other programs in Canada, this can cause confusion for new faculty. An orientation meeting for new faculty would be appropriate.

6. RESEARCH AND TEACHING

Several of the issues that fall in the area of research and teaching have already been discussed. A problem identified by many faculty members was the small real and effective size of the Department. The Department carries a very heavy teaching load; a load that would be substantially increased if all students wishing to take economics were allowed to do so. Given the very large undergraduate student enrolment and the large M.A. and Ph.D. programs, a strong case can be made for increasing the size of the Department. The case is strengthened by the

¹ To provide one example from elsewhere, at the University of Waterloo nine tenure track appointments have been made in the last three years. Of these nine, all but one are theorists.

recent success that the Department has enjoyed in recruiting and by the high profile that the Department now enjoys. Hiring strong faculty will be progressively easier in the future, and given the recent successes, a policy of building on strength would certainly suggest that, when new appointments are available, serious consideration be given to allocating some to the Department of Economics.

Discussions with faculty and students and documents on student supervision indicate that there is an unequal workload within the Economics Department. As was mentioned above, this is due in part to the imbalance between theoretical and applied research and by the fact that in any given semester a relatively small number of faculty are available for supervision. Again, this is not a problem that is unique to the Economics Department at Simon Fraser, and it is not one for which any easy solution is evident. Balancing the work load by assigning more teaching responsibilities to individuals who do not carry their share of graduate supervision is one alternative, but we feel strongly that this is not an action that can be taken unilaterally by departments. It would, however, be very helpful to the Economics Department, and presumably to other departments as well, if a well-defined policy on research, teaching, and supervisory responsibilities were devised by the University.

A feature of the teaching activity that was noted by many was the large number of sessionals used by Economics. A related concern was the small number of legitimate visitors in the Department. Visitors can add enormously to the research climate of the Department, often relatively inexpensively, and distinguished visitors would almost certainly find Simon Fraser an attractive place to visit. Recent budget reductions that have required a reduction in the visitors' budget have been unfortunate, and it is to be hoped that the visitors' program can be strengthened. One would ideally want to replace many of the sessionals with permanent appointments, but one understands that resource constraints may make this difficult or impossible.

7. EXTERNAL RESOURCES

In the area of external grants to support research, the faculty seems to have been quite successful. Although the information provided in Table 2.4 in Volume 2 of the Internal Review is incomplete,² and although it is not clear to what extent some of these grants have actually had an impact on the activities in the Department, the list is nevertheless substantial. It is noteworthy that only half of the departmental members have received external research support. This would be a low percentage relative to support in natural sciences but probably compares very favourably with other economics departments in Canada.

On external support for Ph.D. students, we were provided with no specific information. It is our impression that few Ph.D. students have received SSHRCC fellowships, but it is known that SSHRCC fellowships have been difficult to obtain in recent years and we have no indication as to whether such research support has been sought. If applications are made, failure to receive support could be a reflection of the quality of the average Ph.D. student; but may also simply reflect the overall competition. It should also be remembered that other grants usually have a

² The amounts for several of the research grants are not given.

large student support component.

8. SUPPORT STAFF AND DEPARTMENTAL RESOURCES

Although all departments would prefer to have a larger support staff and a larger non-salary budget there is a general consensus that the Department has been treated fairly by the University. The Department has also been fortunate in being able to attract and retain a very competent support staff that works well together. Although there could be an improvement in communication among staff and between staff and the Department administration, points to be discussed in the next section, in general it is our opinion that the support staff has done an excellent job and has the strong and general support of the faculty.

Computing activities in the Department seem adequate and new faculty in particular have been provided with up-to-date equipment. There has been some concern about the relationship between the University computing centres and the network maintained by the Faculty of Arts, and more co-ordination in this area would make an improvement in the overall efficiency of the unit. The Departmental non-salary budget, while not generous, seems adequate.

Space has been a problem for the Department, but this seems certain to be resolved by the move to the new building. The new building will also provide adequate space for computer equipment, and will provide much needed and improved space for the housing of graduate students.

The library facilities seem quite adequate, or at least we heard no major complaints. There were some complaints made about the constraints being imposed by the Library on the offering of new courses, where unrealistic demands for resource transfers to the Library were imposed for changes that were nothing but a name change or a switch for a course from one year to another. These were doubtlessly a response to tight budgets, but nevertheless it would seem sensible to allow departments to have the final say in whether the University library has adequate resources for the mounting of a new or revised course.

9. DEPARTMENTAL GOVERNANCE

Overall the Department has a rather unstructured and noninterventionist style of operation. The Department has no regular faculty meetings, although meetings on specific issues can be called at the request of any four faculty members. Although this could be seen as somewhat unconventional, from the point of view of the faculty members it seems to have worked very well. Practice differs from department to department within the University and also across universities, and a system of not having departmental meetings is certainly not unique among economics departments in Canada. In general, it is our impression that economics departments meet less often as a group than many other disciplines. The point is there is no single appropriate method of governance that suits all departments, and from the point of view of faculty the present system seems to work very well. If there is a ground swell for more departmental meetings in the future it should not be difficult to obtain the required four signatures.

While the lack of formal meetings and the somewhat unstructured style of operation seems to work very well at the faculty level there is some evidence that this is not the case for support staff and for graduate students. Although the support staff are very supportive of the operation of the Department, there is a strong feeling that more structure and organization would assist in the day-to-day operations of the Department. In some circumstances, for example, the chain of command has not been clear and this has resulted in some anxiety among staff members. Questions of who has responsibility in certain areas when a staff person is absent have sometimes raised concerns. Several staff also suggested that it might be useful for the staff as a group to meet on a fairly regular basis. We think this would be helpful in improving communication, in making the lines of authority clear, and in identifying issues and problems that can be expected to require support staff attention. How frequently these meetings should be held is a matter to be decided by the Department or perhaps by the support staff, but initially it might be helpful to meet every two weeks or at least every month. If in the future, such regular meetings are not seen as necessary then a less frequent meeting schedule could be instituted.

As mentioned before, the support staff is very supportive of the Chair and of the operations of the Department and they seem generally happy with the environment. They also seemed to us to be a very competent group. Introducing a bit more structure and some more carefully defined supervision could easily be accomplished and is likely to pay significant dividends for the longer run.

The informality of meetings has also caused some difficulty for the graduate students. As mentioned earlier, students have some questions about the organization of the graduate program and about procedures, particularly having to do with the assignment of tutors; and there is uncertainty about where they should seek answers to their questions. We feel that it would be appropriate to have regularly scheduled meetings of the Graduate Curriculum Committee at least once a semester. These meetings should be advertised well in advance, and a formal opportunity should be provided for the graduate student representatives to raise questions and provide input to the discussion. Of course, it is also important that action be taken on these requests, or at least that students be advised as to why a particular policy is in place.

The graduate students themselves also seem somewhat disorganized. At our original meeting with a group of graduate students, some did not seem aware that there was a graduate student representative on the Graduate Curriculum Committee, and no one knew who this representative was. It would be helpful if the graduate students would organize and formally elect a representative, who would then act as spokesperson for the group.

10. INTER AND INTRAFACULTY RELATIONS

We heard of no concerns about relations among departments within the Faculty of Arts. We therefore assume that there are no problems in this area. There are, however, some frictions between the Department of Economics and the Faculty of Business Administration. Many of these difficulties have their origin in the history of the organization of the University; and although some of the arrangements appear odd to outsiders, they can be explained by the history of the relationships between Economics and Business. There are several areas that deserve some mention.

At the undergraduate level there are joint programs between Economics and Business, and students expressed some concern over the coordination of these programs. From the students point-of-view, attempts to coordinate the offerings and the program would be helpful. It would also be valuable if some internal document, perhaps a handbook, were available to students in which the rules for the various programs were set out clearly.

To an outsider the joint appointments between Economics and Business seem puzzling, to say the least. There are faculty members in the Economics Department, for example, who do none of their teaching in economics and whose course assignments are determined by someone in the Faculty of Business Administration. One would expect that a rationalization of the appointments between Economics and Business would simplify life for all concerned, but we understand that this may be difficult. Certainly such reorganization would have to take place at the Decanal level or perhaps at the level of Vice-President, Academic.

Another area of concern between Business and Economics are the BUEC courses. Although we were not on campus long enough to gain a clear understanding of the full history of these courses, we did obtain the clear impression that the students are well served by this system. Again, using the principle that "if it ain't broke don't fix it" we recommend that the BUEC program be maintained largely as it is. Issues of resources dedicated to mounting these courses must be dealt with by the Dean of Arts and the Dean of Business Administration.

The principal issue between Business and Economics from the point of view of the Economics Department is the future of the finance option in the Ph.D. program. Here there are several issues. The first is whether the Economics Department feels strongly that this option should be maintained. In our discussions with faculty there was no unanimity on this point, although it is our impression that a majority of faculty would favour retaining this finance option. We feel it would be important for the Department to take a clear position on this issue. In the event that the Department feels that the option is worthwhile, then a strong effort should be made to put the option on a sound financial basis. The issue would seem to be lack of resources to staff the required courses for the finance area. It seems unlikely that additional resources will be provided by the Faculty of Business Administration, and thus if the program is to be continued resources from the Arts Faculty or the broader University community must be found to provide the required funding. It is our impression that one additional teaching position in the finance area, given resources already available, would be sufficient to maintain a high quality finance option.

There are several avenues through which this additional position could be obtained. One option would be the provision of a new position from outside resources. If such a position were to be made available, the Economics Department would have to decide if it should be dedicated to finance or whether there are other areas of more importance. Another option would be the bridge-financing of a retirement position. It is our understanding that one of the joint appointments between Business and Economics will retire in the near future. A common practice in other universities that provides additional flexibility for departments, is to provide bridge-financing so that a suitable candidate can be appointed before the actual retirement takes place. This procedure is not very costly to the University in the long run, and does have some advantages. It would allow a search to begin immediately, which may be important, for it may not be easy to find a candidate who is mutually agreeable to both the Economics Department and the Faculty of Business Administration. An early appointment would also allow the finance

option to be continued without discontinuity in the program. A third option would be to fill the joint appointment when the position becomes available, but this has the disadvantage of holding the finance option somewhat in abeyance until this time.

While the future of the finance option is of principal concern to the Economics Department and the Faculty of Business Administration, there is a larger University issue. This option has been quite popular in the past and has produced some good students. It may be that the University would feel that this option is desirable even if it is not held in high regard by the Economics Department or the Faculty of Business Administration. In this case additional new resources could be provided on the understanding that they be dedicated to hiring in the finance area.

11. GENDER ISSUES

It became obvious to the Committee during our three-day evaluation that a significant problem in the area of gender bias exists in the Department of Economics. The boundary line on activities that would be considered discriminatory or would constitute sexual harassment will always be difficult to define, and this Committee will make no attempt to add to the voluminous literature in this area. Some of the events and actions that we were made aware of were considered by some members of the Department to be unacceptable and by others to be completely inoffensive. Drawing the line between acceptable and unacceptable behaviour will be difficult in any society, and it would be obviously inappropriate for this Committee to make a judgement on such issues. We also feel the Department should refrain from attempting to define a standard of conduct, for this is a task more properly left to the University. Indeed we were made aware of a set of University guidelines already in place.

But while it is difficult to draw the line between acceptable and unacceptable behaviour, we were told of several incidents that all reasonable individuals would agree are inappropriate and that would constitute sexual harassment under any reasonable definition of the term. It is essential for the short-term and long-term health of the Department that these activities stop. The statements and actions by certain male members of the Department clearly lie outside the bounds of acceptable behaviour, and putting an end to such activities should be seen as the largest, immediate challenge facing the Economics Department at this time.

While we were unable to determine the number of male faculty members engaged in these inappropriate activities, we did determine that more than two or three individuals are involved, and thus the problem is a serious one.

As was mentioned earlier, the activities range from minor irritants to clearly inappropriate actions or statements. It is also probable that some these actions were unthinking and that no malice was intended. Ignorance, however, can only be used as an excuse for such activities at most once. It was also made clear to us that some activities are ongoing and have continued for some time.

The Committee heard complaints from all sectors of the Department where women are represented; from faculty, from support staff, and from students. There seems to be no question, therefore, that this is a serious problem that demands immediate attention.

While complaints about the actions of certain male faculty were heard from all quarters, it is noteworthy that all of these reports were made in the spirit of reason and with a clear goal simply of ending the inappropriate behaviour. Indeed, we found the tolerance shown by the women in the Department remarkable, and it is only their reasonableness that has prevented a serious disruption. The situation is explosive and prompt action is required if the peace of the Department is to be maintained.

The variety of reasons why the current behaviour is inappropriate, and the harm that can come from the continuation of such actions, may well be obvious to everyone. Nevertheless, it may be appropriate to identify some of the reasons that we feel a stop must be put to these unacceptable activities.

1. First is the issue of basic human rights. All individuals should be able to enjoy their activities of research, teaching, study, or administrative responsibility without harassment of any kind.
2. The Department is a generally congenial place in which to work. If an explosive situation develops it will sour the atmosphere of the workplace, set faculty, staff, and students against one another, and significantly reduce productivity.
3. At present, female members of the faculty and staff bear a very substantial burden in that all individuals who feel they have been improperly treated typically bring their complaints to members of their own sex. This substantially increases the workload of all women in the Department and is particularly onerous for the women faculty members.
4. A continuation of the inappropriate behaviour that exists at present will make it difficult to retain existing female faculty and recruit others.
5. Female students have reported that there is an internal network that advises incoming female students against taking classes from certain male faculty members. It was also suggested by graduate students that undergraduates from other universities are becoming aware of the situation at Simon Fraser, and if the present situation continues will be advised to avoid doing graduate work at Simon Fraser. This could have a serious effect on the graduate program.

Overall, the consequences of the continuation of the current inappropriate behaviour within the Department could be seriously disruptive. And while the situation is an unhappy one there is, we feel, significant hope for an end to these difficulties. In our opinion, all members of the Department share the goal of maintaining high quality research and teaching, a good graduate program, and generally maintaining a cooperative and pleasant atmosphere in which to work. In our opinion, no one would wish to see a significant disruption in the Department. It is our hope, therefore, that all faculty, students, and support staff will work together to solve this potentially disruptive problem.

As a mechanism for addressing these issues, we recommend that a small Gender and Racial Issues Committee be struck. It would probably be appropriate if this Committee include the Chair and the Departmental Administrator, and it is essential that it include a student or someone

who is seen to represent student interests. In general, it would be advisable to have the entire composition of this Committee approved by all interested groups in the Department. Given the spirit of cooperation within the Department this does not seem to us to be a difficult task. This committee should consider complaints of sexual or racial harassment or any acts or activities that could be so construed, either directly or indirectly through a Committee member. The Committee should then meet with the individual identified in the complaint. If there is a denial of inappropriate action, or if the accused demands to know the identity of the accuser, then the Committee should decide on whether a confrontational meeting is appropriate. It should be clear that if the difficulty cannot be resolved internally then the case will be taken to the University Sexual Harassment Officer with full support for whatever disciplinary actions would be called for. Of course, any individual would be free to take any complaints directly to the Sexual Harassment Officer.

Again, we stress that we do not feel that it would be appropriate for the Gender and Racial Issues Committee to attempt to define what actions or behaviour are appropriate and which are not. This again is the task of the University, and any attempt to have local definitions of sexual harassment would most certainly result in a prolonged and almost certainly unproductive debate.

There is also some suggestion that racial bias is present in the Department. The issues here seem less clear and certainly less worrisome. Nevertheless, a forum for making representation of racial bias or harassment should certainly be available.

12. RECOMMENDATIONS

A. For the Department

1. Every effort must be made to stop the sexual harassment in the Department. A Gender and Racial Issues Committee should be formed to deal with complaints.
2. The review of the Honours Program currently in progress should continue.
3. Allocation of graduate students to tutorial sections should, if possible, be made before the beginning of the semester.
4. A Departmental Handbook providing information on program regulations and listing courses expected to be offered at both the undergraduate and graduate level would be useful.
5. An in-depth review of the Graduate Program should be undertaken. This should be left until after the review of the Honours program is completed.
6. The Graduate Curriculum Committee should have regularly scheduled meetings in at least the Fall and Spring semesters at which questions from graduate students can be addressed.
7. There should be an orientation program for new faculty.

8. The Department should make a decision on whether new hiring should provide breadth or add to existing areas to create specializations.
9. The support staff should be encouraged to meet on a regular basis.
10. Responsibilities and chain of command should be more clearly defined for support staff.
11. The Department should decide on the importance of maintaining the Finance option in the Ph.D. program.

B. For the University

1. Some attempt should be made to loosen the salary ceilings. Otherwise, it will be difficult to maintain high-profile faculty.
2. Some attempt should be made to define the workload for faculty. This could involve larger teaching loads for faculty not involved in graduate supervision or who are not active in research.
3. The Faculty of Arts should consider increasing the faculty complement in Economics.
4. A rationalization of appointments between Economics and the Faculty of Business Administration would be appropriate.
5. Serious consideration should be given to adding a position in Finance to be shared by Economics and Business.

SIMON FRASER UNIVERSITY
Department of Economics

RESPONSE TO EXTERNAL REVIEW
February, 1994

The Department of Economics believes that the members of the External Review have been careful and conscientious in assessing the current state and future prospects of our department.¹ We appreciate that the reviewers were in general "very favourably impressed by the Economics Department at Simon Fraser University..." and found "[t]he Department takes teaching seriously and has a strong commitment to research." We recognize, like the reviewers, that any department will have difficulties and appreciate that, with one exception, they are minor. As will be discussed more fully, the department has moved rapidly to seek a solution to this more serious problem.

Undergraduate Program

The Department, prior to the review, had undertaken the most thorough revision of the Undergraduate Program in many years. Among the motives for this revision was a desire to integrate transfer students from community colleges more successfully into our undergraduate programs. The Committee stated that "these changes have been well thought-out and will result in substantial improvements in the program." As the Reviewers noted, the changes to the curriculum appear to have received the approval of community colleges.

The Committee noted that the Major at SFU provides more opportunities for in-depth specialization than comparable three year programs in Ontario. Nevertheless, they encouraged us to develop the Honours program more fully. The revision of the Honours program has differentiated the Honours program more fully from the Major than previously by adding an Honours seminar. The response of students to these changes has been enthusiastic. The Department will consider the Review's recommendation that the fourth-year seminars in economic theory be made compulsory for the Honours degree.

One of the Reviewers' concerns at the undergraduate level was not directed to the Department of Economics. The Reviewers encountered a feeling among students in joint programs between Economics and Business that they "were treated as second class citizens

¹ The members of the External Review Committee were extremely well qualified for the task. Melvin, the Chair, is a former Chair of Economics at University of Western Ontario and is currently Chair at Waterloo. Mathewson, one of the most prominent Canadian scholars in Industrial Organization, is at the University of Toronto. McCallum is a former Chair of Economics and currently Dean of Arts at McGill. The Department is very grateful to Bill Cleveland of the Department of History for guiding the External Reviewers through the intricacies and peculiarities of Simon Fraser.

in their dealings with the Business Administration faculty." We hope that SCAP will call this to the attention of Business Administration so that that faculty can determine whether these feelings have any basis and, if so, to undertake remedial measures.

Graduate Program

We are heartened by the Reviewers' general judgement of our graduate programs:

Students have generally enjoyed their experience and feel that they have been well served by the program. Both M.A.s and Ph.D.s have been very successful in obtaining appropriate positions, and given the state of the market this is a tough test. It is our impression, for example, that Simon Fraser Economics Ph.D.s have been more successful in the market than students from such places as the University of Western Ontario and the University of British Columbia. The success of M.A. and Ph.D. students in obtaining positions is certainly a reflection of the high quality of the program, but also indicates the much higher profile that the Department has enjoyed in the Canadian profession in recent years.

Prior to the announcement of the review, the Department had been planning a review of its graduate programs comparable to that undertaken for the undergraduate program. The Reviewers have endorsed the need for a review of the program at this time.

During the 94-1 semester, the Graduate Curriculum Committee will start a review of the graduate programs. The GCC will appoint subcommittees to advise it on the curriculum in the three core elements of the curriculum: micro, macro, and quantitative. These subcommittees will review the pattern of required courses and the coverage by required courses of the material required for the Ph.D. comprehensives.

The Committee has mentioned the Department's approach to assignment of TAs in both the Undergraduate and Graduate sections of its report. The Department has now implemented a procedure under which TAs are assigned well in advance of the beginning of the semester. While the system appears to work reasonably well, the strictness of the TSSU agreement makes it more difficult than in the past to gain the best match between TAs and their assignments.

Faculty

We are pleased that the reviewers have endorsed the quality of the faculty and their efforts to provide high quality teaching and research:

The faculty complement is strong, and almost all seem dedicated to high quality teaching and research. The strong support for research that exists among the faculty is important and has resulted in a cohesion and single-mindedness in terms of the direction in which the Department should go that is not often found in

economics departments in Canada.

Here the reviewers raised a number of issues, one of which -- salary levels for distinguished faculty -- is beyond the powers of the department. Nevertheless, it is an important issue. Under the present system, the best faculty reach the salary ceiling at a relatively early stage of their career. From this point onward, the only salary increases that they will receive are adjustments to the scale. Not only is this prospect demoralizing, it will make their salaries less attractive to competing offers over time.

The Department has followed the suggestions of the Reviewers this year in seeking candidates for a replacement appointment. The Department's advertisements state that the department, as one of its priorities, is seeking candidates with skills in the "applied quantitative" area. If we are successful, the person hired should be able to help with the supervision of empirical research of graduate students.

The other key issue raised by the Reviewers is the emphasis between specialization and broad coverage of fields with respect to faculty hiring. Despite the encouragement of the Reviewers to resolve this issue, the issue is unlikely to be resolved in any permanent fashion in a department of our size. Indeed, both the Department as a whole and the Appointments Committee has discussed the issue since receiving the Reviewers' report. In both cases the discussion has been inconclusive.. In our hiring this year, we have emphasized some areas where we have relatively few faculty (labour economics, resource economics and public finance) and others (applied microeconomics) where we have considerable strength.

Research and Teaching

The Department appreciates the Reviewers' recognition of "very heavy teaching load" together with "the small real and effective size of Department" and their observation that "a strong case can be made for increasing the size of the Department." The Department has relied on sessionals to an extreme and undesirable degree in the past. Our analysis also showed that the Department has one of the highest student/faculty ratios in the Faculty of Arts and in the University. We agree that both the current high student/faculty ratio and "a policy of building on strength would certainly suggest that, when new appointments are available, serious consideration should be given to allocating some to the Department of Economics."

We accept the Reviewers' point that there may be an unequal workload within the Department. To the extent that some inequities result from peculiarities in the curriculum, the matter will be reviewed over the next semester. We are less sanguine than the Reviewers about the contribution that could be made by a University policy on research, teaching and supervisory responsibilities because of the difficulties of making appropriate comparisons. While less severe, these difficulties are still present at the departmental level.

Communication and Governance

The Department has heeded the Reviewers' suggestions about improved communication "among staff and between staff and the Department's administration." Regular meetings have been held by the support staff. These meetings have dealt with issues raised by individual staff, as well as a detailed review of existing job descriptions to determine their continuing appropriateness. In addition, the Support Staff have been attending Departmental meetings.

The visit of the Review Committee has revitalized the graduate student organization. For the first time in recent years, the graduate students elected representative to relevant Departmental committees. The Department also accepted the suggestions of the Reviewers and has advanced the appointment of TAs. The Department also plans to consult the graduate students with respect to its summer graduate offerings in 1994.

Interfaculty Relations

We endorse the Reviewers' views of the problems that exist between the Department of Economics and the Faculty of Business. We support the review of the joint appointments by the Deans or by the Vice President. The Department has been advocating such a review since 1990. Though we also believe that the BUEC courses serve the interests of both units and should not be changed in any fundamental way, we continue to believe that a reorganization of responsibilities for different areas should improve the program. In particular, the assignment of the statistical methods courses as a whole to Economics should allow for more coherence between the courses in the area. Similarly, Industrial Relations and Law probably could be administered more easily by Business.

The Reviewers have accurately recognized the problems in the collaborative field between Economics and Business in Finance as part of our department's Ph.D. At one time, this field was served by members of the Finance group who are joint appointees between Economics and Business. With the establishment of the day-time MBA, their teaching efforts as well as some of courses were directed more to the needs of this program. There is a feeling among some in the Department of Economics that Finance as a doctoral field has been an attractive feature of our program in the past. The field is now offered in a makeshift manner that cannot continue. Without the dedication of additional faculty, the Department will be forced very soon to remove the field from its announced offerings.

Gender Issues

The Review Committee was strongly critical of the department with respect to the problem of "gender bias" that they perceived. The members of the Review were told of "several incidents that all reasonable individuals would agree are inappropriate and that would constitute sexual harassment under any reasonable definition of the term."

Moreover, they maintained that the "statements and actions by certain male members of the Department clearly lie outside the bounds of acceptable behaviour." While unable to determine the number of members of the Department engaged in these inappropriate activities," the Reviewers stated that more than two or three individuals were involved and that the problem is serious.

The Department recognizes the seriousness of these concerns raised by the Reviewers and is determined to correct the situation. Prior to the External Review, the Department had taken action by being one of the first departments in the University to have the University's Harassment Policy Coordinator conduct an Awareness Seminar. Subsequent to the Review, the Department followed the spirit of the recommendations of the Reviewers and established a Committee with representation from support staff, graduate students, undergraduates and faculty to recommend to the department mechanisms that would be judged most appropriate for dealing with these problems. The Committee expects to make its report shortly.

Recommendations and Action: Summary

A. For the Department

1. Stopping the sexual harassment and the formation of a Gender and Racial Issues Committee.

The Department has established a broadly based committee to determine the appropriate form and terms of reference of the Gender and Racial Issues Committee. This Committee's report is imminent. It will be circulated to the four constituencies (undergraduates, graduates, support staff and faculty) for their endorsement.

2. The Review of the Honours Program should continue.

The Department has implemented additional changes to the Honours Program. Further changes will be considered next semester by the UCC.

3. Allocation of graduate students to tutorial sections should be made before the beginning of the semester.

The Department has done this in 93-3 and 94-1.

4. Handbook at Graduate and Undergraduate levels.

The Department will endeavour to provide greater notice of expected offerings than in the past.

5. An in-depth review of the Graduate Program should be undertaken.

Such a review is planned beginning 94-1.

6. The Graduate Curriculum Committee should hold regular meetings to address questions from graduate students.

Planned for 94-1. Orientation meeting for new graduate students was held 93-3.

7. There should be an orientation program for new faculty.

Most recently hired faculty will be asked to assist new faculty in the future.

8. The Department should decide between depth and breadth in new hiring.

The Department and the Appointment Committee have both held discussion without reaching a conclusion.

9. The Support staff should be encouraged to meet on a regular basis.

The support staff have held regular meetings.

10. The responsibilities and chain of command should be more clearly defined for support staff.

The support staff have reviewed the responsibilities of all staff positions. The job descriptions have also been distributed to faculty.

11. The Department should decide on the importance of maintaining the Finance option in the Ph.D. program.

The Department does not believe the field can be continued without greater support from the Finance group in the Faculty of Business (including the joint appointees). An additional appointment does not really address the problem. The Finance option requires the commitment of a substantial portion of the Finance group.

B. For the University

1. Loosening of salary ceilings.

The Department believes that the university must consider ways to retain high quality faculty who have their salary progression halted through reaching the salary ceiling.

2. Definition of faculty workload

The Department is less sanguine than the Reviewers about the productivity of further efforts to define workloads. Nevertheless the Department does recognize the need to give recognition for heavier loads in areas other than classroom teaching, especially graduate supervision.

3. The Faculty of Arts should consider increasing the faculty complement in Economics.

We certainly support the Reviewers' recommendation that the "Faculty of Arts should consider increasing the faculty complement in Economics." We believe that this position is supported by the teaching that the Department does in relation to its effective size of faculty. Moreover, the Department is now in a position to become one of the leading departments in Canada. The current momentum can be sustained by allowing the Department to recruit judiciously.

4. Rationalization of appointments between Economics and the Faculty of Business.

The Department supports the review of the joint appointments between the Department of Economics and the Faculty of Business. The poor communication between the Faculty of Business and the Department of Economics means that the issue should be resolved at the level of the Deans or by the Vice President (Academic). Any resolution of the issue of joint appointments must take into account the future of the Finance field.

5. Adding a position in Finance

The Finance option in the Ph.D. program has served its students quite well. Unfortunately it cannot continue with its present lack of support from the Finance group in the Faculty of Business. An additional appointment in Finance cannot by itself preserve the program. The program could be preserved if resources equivalent to half the two joint appointees between Economics and Business (with their home in Economics) were directed to the program. At present, the teaching of these joint appointees is solely in Business courses.