

**New Program Proposal
Doctor of Philosophy
Economics
Clemson University**

Clemson University requests approval to offer a new program leading to the Doctor of Philosophy in Economics to be implemented in Fall 2009.

The Clemson Board of Trustees approved the proposal on April 17, 2008. The Program Planning Summary was submitted to the Commission in May 2008, and it was reviewed and voted upon favorably by the Advisory Committee on Academic Programs on July 17, 2008. At this meeting, the representative from USC-Columbia, which currently confers the state's only Ph.D. in Economics, supported the proposed program. The full proposal was received by the Commission on February 23, 2009.

Clemson University currently offers a program leading to the Ph.D. degree in Applied Economics, which is offered jointly through two departments: the Department of Applied Economics and Statistics in the College of Agriculture, Forestry and Life Sciences and the John E. Walker Department of Economics in the College of Business and Behavioral Science. The proposal states that students in the existing degree program choose faculty supervision from one of the two offering departments and that the differing research orientations of the supervising faculty in the two departments lead to two different academic and career paths for the students. According to Clemson's website, for example, students supervised through the Department of Applied Statistics are likely to conduct research in areas such as agricultural production and marketing or applied statistics, while those supervised through the Department of Economics are more likely to conduct research in areas such as financial economics or international economics.

Clemson states that the proposed Ph.D. in Economics program, which will be offered through the Department of Economics, will more accurately reflect the theoretical nature of the course work and research in the Department of Economics and increase the ability of students in the program to compete successfully for positions at leading academic institutions. Given the continued student demand for the existing Ph.D. in Applied Economics, Clemson intends to continue to offer that degree through the Department of Applied Economics. In support of offering both degrees, the proposal states that "every Top 20 institution that offers a Ph.D. in either Agricultural or Applied Economics also offers the Ph.D. in Economics." The proposal includes a letter of support and a positive evaluation from Dr. David B. Mustard, Associate Professor and Graduate Coordinator in the Department of Economics at the University of Georgia.

The proposal presents four main benefits from the proposed program: more competitive student recruitment against such institutions as North Carolina State, the University of Georgia, the University of North Carolina, and the University of Virginia; increased department reputation leading to enhanced graduate job placement; additional functionality with no additional costs; and increased national reputation of the university. Clemson indicates that the graduates from the proposed program will be better credentialed for careers in the academic workforce because of the more appropriate degree designation.

USC-Columbia and Clemson are the only state institutions to offer master's degrees in Economics. USC-Columbia offers the state's only doctorate in the field, the Ph.D. in Economics. From Fall 2003 to Fall 2007, the USC program carried an average enrollment of 9.2 students, far fewer than the proposal's predicted 53 students for Clemson's proposed Ph.D. in Economics program. Over the same period, Clemson's existing Ph.D. in Applied Economics program enrolled an average of 67.8 students.

The admissions criteria for the proposed program are: 1) a completed undergraduate degree; 2) successful completion of advanced coursework in economics; 3) a Grade Point Average (GPA) of 3.40 or higher; and, 4) a score of 700 or more on the quantitative portion of the GRE Exam. Students will require approximately four years to complete the program with the first three years focused on economics course work (approximately 60 credit hours) and the fourth year focused on the dissertation.

Students must complete an evaluation process at the end of their first year to assess learning in the critical areas of econometrics and economic theory. Those students demonstrating an inadequate command of these two areas may be required to retake first-year course work and the end-of-year evaluation in order to remain in the program.

If the proposed program is approved, the current population of 71 students (Fall 2008 enrollment) in the Ph.D. in Applied Economics will be divided into those staying in the existing program and those moving into the new program leading to the Ph.D. in Economics. The proposal states that 53 students will move to the proposed program. Based on current admission, attrition, and graduation patterns in the existing program, Clemson anticipates that it will maintain the current enrollment level of 53 students (18.5 FTE) throughout the first five years of the program and beyond. The proposal states that the institution does not intend to increase the size of the program, but instead plans to increase quality of the program with the new degree. If the enrollment projections are met, the program will meet the Commission's program productivity standards for enrollment and degrees awarded.

The proposal states that in the first five years of the program no new faculty, administration, or staff members will be hired to support the program. The proposal

further states that due to the existence of the program leading to the Ph.D. in Applied Economics, the institution's existing library holdings are sufficient to support the proposed program. No new physical plant facilities or equipment are required for the proposed program. According to the proposal, there is no specialized accrediting body for the proposed program.

The proposal states that since the proposed program uses an existing track within the Ph.D. in Applied Economics program to create a new program that better reflects the focus of graduate students earning their degrees under the supervision of Clemson's Department of Economics, there will be no new cost to the institution in its implementation. In addition, the proposal explicitly states that there will be no increase of enrollment levels beyond the current enrollment level of 53 (18.5 FTE) students, and therefore no additional costs to the state.

Given the special case in which the institution neither desires nor predicts enrollment growth resulting from the proposed program, the MRR chart showing estimated new costs to the state and new revenue from the program is not included in this analysis of the proposed program. Because the chart determines MRR costs and revenues based on new student growth, there are no new costs or revenues estimated in the MRR chart and all cells in the chart show zeros (0).

At its meeting on April 2, 2009, in response to questions raised by the Committee on Academic Affairs and Licensing, representatives from Clemson University clarified three points: 1) the addition of the proposed degree program is intended to add quality rather than increase enrollment; 2) the proposed program is designed to produce graduates prepared to enter the academic workforce at the highest levels, both nationally and internationally; and, 3) faculty hired through the John E. Walker Endowment will support the program at no cost to the state. The Walker Endowment of nearly \$7 million was established in 2001 by Dr John E. Walker, a Clemson graduate, "to fund the expansion of the [Economics] department's faculty and the enhancement of its programs."

In summary, Clemson University is proposing a new program leading to the Doctor of Philosophy degree in Economics. The proposed program will draw its initial students from currently enrolled students who are working toward the Ph.D. in Applied Economics under the supervision of the Department of Economics. The proposal states that there is no program growth planned above the current enrollment level of doctoral students being supervised by the Department of Economics. The Ph.D. in Applied Economics, offered through the Department of Applied Economics and Statistics, will continue to be offered. There will be no expansion of existing programs and no new costs to the institution or state to implement this program.

Recommendation

The Committee on Academic Affairs and Licensing commends favorably to the Commission the program leading to the Doctor of Philosophy degree in Economics at Clemson University to be implemented in Fall 2009, provided that no “unique cost” or other special state funding be required or requested.