

2009 Distinguished Teacher of the Year

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Thank you very much. It's remarkable that in spite of these tough economic times, how of all people an *economist* could be recognized for doing something good for a change. I'd like to thank President Brogan, Dr. Pritchett, members of the Administration, the Student Advisory Committee, my fellow colleagues, to all students who make my career possible, and to our distinguished guests, as this is truly an unexpected honor and I graciously accept this award.

Over the past week a number of people have asked me not so much what I was going to talk about today but rather how long my speech will be. Now I understand the value of time; in fact, in economics we refer to this as opportunity cost, which is the value of what you would be doing if you weren't here today. And so I calculated that for every one minute I speak, I will have used up a minute of everybody's time here, which is about 7 hours. So I'm happy to announce that my 8 minute 57 and one half second speech will only consume 61 hours of your time.

Now I will talk about my teaching philosophy, as is tradition in this keynote address, but first I can't ignore the fact that as an economist I'm asked by almost everyone I meet what my thoughts are on the current economy. Well, first I want to share with you an interesting fact that economics is often referred to as the "Dismal Science." Now, this term originated from an 18th century economist named Thomas Malthus who had a dire prediction that the world would not be able to grow enough food to sustain population growth. But luckily at some point in the last 200 years one farmer figured out that by taking their cows and goats to the fields and letting them do their business, suddenly fertilizer was invented and crops became bountiful! If only all economic problems could be solved with manure. But that didn't stop economics from being known as the dismal science, which now seems to refer to the idea that everything that ever comes out of the mouth of an economist is nothing but manure. So I'd like to share a few of my favorite anecdotes of why the economist has become known as dismal, or perhaps not so dismal.

My first story involves unemployment, which unfortunately has been increasing too fast. Well, there was once a famous economist who flew to New York City for a conference; he got into a taxi cab and started talking with the driver. The cab driver said, "Can you believe this economy; I'm an unemployed architect" to which the economist immediately replied, "No you're not, you're actually a fully employed cab driver." And the economist was right in that if you take a temporary job while looking for a job in your profession, or if you decide to go back to school, you're not counted in the unemployment rate, which

means that during tough times, the true unemployment rate is actually higher than what's reported, and that's dismal. But, on the other hand, once the economy recovers, not only will the unemployment rate go back down but new jobs will be created that didn't exist before, and that is not so dismal.

And speaking of economic recovery, my next story involves roller coasters and recessions. A lot of people love roller coasters. And the best part of the ride is right when you reach the top and start to go down. But imagine being on a roller coaster with a bunch of people who as soon as it starts to go down, someone yells "stop the ride, I want out!" Well that's the funny thing about how economists define recessions; a recession officially starts a few months after reaching the peak of the business cycle even though times are still good at that point. So that's pretty dismal. But, on the other hand, while many people see the end of a recession as when housing prices and the stock market fully recover and unemployment goes back down, officially a recession is over very soon after we hit bottom and we go into a recovery stage. So the good news is that to many economists we will likely see the end of the recession later this year, and that is not so dismal.

My last story is about two former students who found true love in my class. They went on that fantastic first date, but then they started to skip class – I suppose because they wanted to go on more dates and my class just wasn't the place. Now, after a couple of missed classes, I had to explain to them the concept of diminishing marginal returns, which is the idea that your fifth date has to be at least a bit less exciting than your first. Of course, I wouldn't have had to explain it to them if they hadn't skipped the class in which I covered that topic. But my two students quickly learned what economics is all about, which is when making a decision one must consider the notion of decreasing marginal benefit and increasing opportunity cost, and yes, that is demand and supply.

Which brings me to my teaching philosophy. Whenever I enter a classroom, I remind myself of a time not too long ago when I would dread going to a class in fear of being overcome with boredom. Now, I never skipped a class – perhaps I was risk averse, but, in reality, it simply wasn't an option I gave myself. Some of my friends didn't have that problem as they slept in each day. So this is why I always ask my students each semester to tell me what their opportunity cost is, or what they would be doing if they weren't in class. Sometimes it would be watching the big game, taking a nap or going out with friends. So as a teacher, that is my competition. How do I make my lecture more interesting and valuable than Monday night football, Nintendo Wii or Twitter? But not all students can be won over easily. And therefore, I use four key principles in my classes: 1) Learn my students' names and their interests, which I use in class examples; 2) Look for new ideas to be informative yet entertaining to improve attendance and to capture everyone's attention; 3) Use real life examples to make learning real; and 4) Be accessible in class, out of class and after the semester is over.

As I think back to my undergraduate days, I remember the professors who have influenced me the most. These are the professors whose offices I still feel comfortable

walking into to have a chat. Not only did these professors teach me during class, they continue to teach me after the class, and so I made a commitment that I will never cease to create new ways to bring out the best in my students, both in class and out. One of my favorite anonymous quotes, and it's not "dismal" at all, is that "once you reach the top of the ladder of opportunity, the first thing to do is pull up the ladder behind you."

I am grateful for the opportunity to be involved with many students clubs and programs here at FAU. One of my favorite aspects of being at FAU is the interaction with students. In fact, people sometimes ask if it bothers me that I still get mistaken as a student. And I say of course not; in fact, it's fun sitting in the cafeteria and listening to students talk about professors behind their back; of course, I believe everything about everybody except me. Another perk about being mistaken for a student is being offered a student discount on something. In economics we call that responding to incentives and I'm not one to go against economic principle, so I take it.

But today I have some students I certainly don't want to discount, so a special thanks to all of my current and former students (and feel free to cheer if you're here), the FAU Surf and Skimboard Clubs, my International Study Tour groups, the FAU AIDS Walk and Heart Walk Teams, the Freshman Orientation Committee, the Economics Graduate Program, Lambda United and the FAU PrideFest Team, and to all student organizations that make FAU such an exciting university. I thank you for this honor and I congratulate all of today's award recipients for their outstanding accomplishments and contributions to our University. Thank you everyone.