



KELLEY SCHOOL OF BUSINESS
Indiana University

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Issue 6

Department of **Business Economics & Public Policy**





Department Chair Letter

Dear BEPP Community,

I am thrilled to write to you as a kick-off to our sixth annual department newsletter!

The BEPP department consists of high-caliber economists working within a top business school. As such, our primary purpose is to bring the rigor and critical thinking inherent in economic modeling and econometric analysis to important business and policy questions and challenges. Recognizing our role, the purpose of this newsletter is to highlight how BEPP faculty, students and alumni have served this purpose over the past year.

In what follows, you'll find: an in-depth look at select faculty, a detailed discussion of our upcoming course on Digital Economics for Business, discussion of BEPP faculty involvement in Vietnam and Turkey initiatives, BEPP program highlights, BEPP club activities and engagements, and a BEPP alum spotlight.

Of course, there is much more to BEPP than what we can summarize in a newsletter. So, if you haven't already, please join the hundreds of BEPP friends who now follow us on Facebook (<https://www.facebook.com/KelleyBEPP/>), and if you're a BEPP alum, please join our LinkedIn group (<https://www.linkedin.com/groups/4347267>) to not only learn about the department but also stay connected with fellow BEPP grads.

I like to conclude these newsletters with a thought that highlights general BEPP skills within a current context. As I mentioned in last year's newsletter, a major topic du jour is the alleged market power of so-called Big Tech firms, such as Apple, Google, and Facebook. This issue has only increased in prominence, and we are seeing scrutiny of mergers and alleged market power by the government across a wide swath of the economy. Of course, in this age of political divisiveness, opinions vary widely on the wisdom of this increased scrutiny, ranging from it being inadequate to it being excessive. An important element in this debate is the long-running use of what's known as the consumer surplus standard in evaluating market harm. Put (overly) simply, in evaluating a merger, we ask whether we expect consumers to be better or worse off after the firms combine operations. BEPP faculty, in their research and teaching, ask questions like: What are the merits of a consumer surplus standard? What alternatives might a government use in evaluating a merger or other firm conduct? How does one estimate harm, or benefits, to consumers when firms merge? Answers to these and related questions can have profound impacts on the set of firms and ultimately the goods and services in various marketplaces around the world.

Please enjoy this sixth installment of our newsletter, and as friends of BEPP, please don't hesitate to stay in touch and stop by any time you're back in B-town – we'd love to see you!

Sincerely,

Jeff Prince, Harold A. Poling Chair in Strategic Management



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Extra! Extra! Read all about it!



\$71,000

BEPP majors reported highest average salaries

67%

BEPP graduates who have accepted positions in consulting

Recent investments in facility expansion and renovation, including the new Prebys Career Services Center, as well as the Undergraduate Program's emphasis on talent management, global business strategy, quantitative analysis, and critical thinking are factors that will contribute to its continued success in producing world-class business professionals.

Within the top-ranked Undergraduate Program, BEPP majors are among the most sought after Kelley graduates. In 2020, BEPP majors had the highest average starting salary coming out of Kelley at \$71,790. In 2021, 67% of BEPP majors found employment in the consulting industry, with another 21% in Corporate Financial/Banking, and 11% in Financial Analyst positions.

The strong market valuation of BEPP skills has made our majors (Economic Consulting and Public Policy Analysis) as well as our co-majors (Business Analytics and Sustainable Business) grow in popularity within the Kelley Undergraduate Program. The fastest growth has been generated from our Business Analytics co-major which currently has over 570 declared majors as of Spring 2020.

#1

Online MBA
Bloomberg Businessweek

#1

Online MBA
Financial Times

#1

Online MBA
U.S. News & World Report

Faculty Spotlight: Aaron Kolb - Assistant Professor of Business Economics and Public Policy

Aaron Kolb worked in the finance industry for a few years before going to Duke for his Ph.D. He was thrilled to join the IU BEPP faculty in the summer of 2016—his first academic job.

At IU, Kolb teaches a Ph.D. class on economic modeling and an undergraduate game theory class.

“My research focus is on applied economic theory, and I am especially interested in studying strategic behavior in long-run interactions and strategic communication,” says Kolb.

One of his most recently completed papers was a joint effort with several coauthors, including BEPP colleagues,

for a number of reasons. On the research side, he loves collaborating to solve difficult problems and eventually seeing work get published. On the teaching side, nothing is better than when a student approaches him about connections they’ve made between his game theory class and things they’ve observed in the real world.

Kolb and his wife, Jennifer, have been married for 11 years. They have three daughters: Sophie (8), Abigail (6), and Hailey (4). During the pandemic, Kolb bought a bike, which was not an easy endeavor as they were a hot commodity and tough to find!

“I have enjoyed that for exercise and for getting around town without paying exorbitant fuel prices,” he says. When he finds a little free time in a day, he usually spends it either exercising or improving his cooking skills. The family’s favorite getaway is to drive a couple of hours over to Ohio to enjoy the Kings Island amusement park, which this year is



Marilyn Pease and Dan Sacks.

“We studied students’ decisions to disclose or not disclose their course grades under uncertainty about those grades,” says Kolb, who is currently working on a project with other coauthors about stake-building and price manipulation by activist shareholders.

Kolb has enjoyed working in this field

celebrating its 50th anniversary.

“My kids are just big enough now to start riding real rollercoasters,” says Kolb.

In the summer of 2019, Kolb went to a conference on the island of Ischia off the coast of Naples, Italy. Kolb was astounded by the natural beauty that surrounded him. It was a high, both personally and professionally, as he got to meet and discuss research with many other theorists from around the world. He had an equally rewarding experience in February 2020 when he was on vacation with his wife in Orlando and ran into two of his former Kelley students.

“I think it’s best [not to seek] perfect advice and instead be willing to take more calculated risks,” says Kolb.
“Ultimately, I think we learn best from our own experience.”

“We were about to board the Jurassic Park water ride when I saw them,” he says. “[We caught up, and] they seemed to be doing great in their careers, as BEPP majors are wont to do.”

Though traveling is fun, Kolb is always happy to come back home to Bloomington as he appreciates the cooperative academic atmosphere that is shared among both students and faculty. Plus, it’s nice to return to his piano. Not many people know this, but Kolb has

played classical piano since he was ten years old.

“My favorite composers are Chopin and Rachmaninoff, but I enjoy most genres of music,” he says.

The other thing he has enjoyed is simply learning from life—both the good and the bad, the hard and the easy lessons.

“I think it’s best [not to seek] perfect advice and instead be willing to take more calculated risks,” says Kolb. “Ultimately, I think we learn best from our own experience.”

**Faculty Spotlight: Mike Rauh -
Associate Professor of Business
Economics and Public Policy**

Michael Rauh will never forget when he first arrived on campus in 2005 to join the BEPP faculty.

"The faculty had decided to protest en masse against the IU President [at the time]. Hundreds of professors met in the IU Auditorium to speak out against him," says Rauh. "While this was going on, a tornado passed over the town, so everyone had to congregate in the lobby and watch weather maps on laptops. That was a vivid memory!"

has taught at all levels, from undergrad to Ph.D. Currently, he teaches only MBAs, both in person and online.

His research focuses on incentives in organizations. For example, he published a paper at Management Science, which explains why the primary form of motivation in markets is financial incentives, whereas the primary form of motivation in firms is culture.

"Since economic activity can be carried out in either institution, I provide conditions under which one institution should be preferred over the other," says Rauh, who likes studying and teaching economics because it sheds light on the way the world really works, sometimes in surprising ways.

"Economists have a unique perspective, and students find it an eye-opening experience to learn to think like an economist," says Rauh.

As much as he relishes his career, he admits that being an economist is tough—especially when submitting research

papers to academic journals. The critical reviews and high rejection rates are particularly hard for young economists. Nevertheless, he recognizes that that's part of life, and as the phrase goes, life is good.

"Most people don't know that I play classical guitar," says Rauh. "I don't play especially well, which is why I hide this fact."

In addition to music, Rauh finds solace in exercise, travel, and quality time spent with family. This past spring, he once again ran the Indy Mini Marathon, and in July, he and his family biked the Hebridean Way, a remote cycling route

spanning nearly 200 miles across ten islands. Throughout the ride, which covers National Route 780, cyclists get to feast their eyes on the beautiful Atlantic coastline while also getting in a good workout as the route has some rugged hills.

Bloomington provides plenty of tranquility as well.

"The perfect Saturday is when I get up early, watch the sun rise as I do my long run, and then afterwards hop in the car with the family for a road trip somewhere new," he says.

"There is a feeling that this is a special place where people make lifelong memories. It makes you feel like you are part of something."

That wild experience didn't serve to mar his time at IU, however.

"What I love about IU is the love that so many people have for the institution, both current students and faculty and alumni," he says. "There is a feeling that this is a special place where people make lifelong memories. It makes you feel like you are part of something."

Rauh was a professor of economics in England from 1997-2003, first in London and then in Liverpool. Following that, he taught at the University of North Dakota from 2003-2005. Through the years, he





Faculty Spotlight: Andrew Butters - Assistant Professor

Before beginning graduate school, Andrew Butters worked as an Associate Economist at the Federal Reserve Bank of Chicago.

"I feel fortunate to have gotten that opportunity," says Butters, who worked on the inflation and international memos for the Federal Open Market Committee meetings. He also helped create the National Financial Conditions Index.

"I got to see firsthand what being a

econometrics courses in the Business Analytics co-major (G350 and G492). He also teaches the first half of the Ph.D. econometrics sequence.

"As someone who conducts empirical research in economics, these courses have been a real treat to teach because there is so much overlap," says Butters.

On the research side of things, he's primarily worked on issues that examine how firms and policymakers measure and make decisions in the face of fluctuations in business conditions, like demand. This has included examining how fluctuations in demand can impact our measures of productivity or dictate the degree of how much prices should fluctuate.

In the spring of 2022, Butters had a paper published in American Economic Review that examines how large national retailers like grocery chains respond to local changes in cost as it relates to their pricing decisions.

"This publication felt like hitting a home run in baseball," says Butters. "What makes it even sweeter is that it was a joint effort with my colleagues in the department, Boyoung Seo and Daniel W. Sacks. So, I guess it was more like hitting a home run with the bases loaded!"

What he loves about working in the field of economics is how often the research that's being done has immediate implications for businesses, households or policy.

"Doing research in a field that is so often contributing to policy debates and helping households and businesses is very rewarding," he says.

Butters' wife, Becca, works in the Communication, Professional & Computer Skills department teaching Business Presentations (C104). The

couple has two children, Alden (4) and Ava (2), and a very patient dog, Darwin.

Butters enjoys golfing and cooking, and he's always up for watching a basketball game at Assembly Hall. One reason hoops are near and dear to his heart is because he played on a collegiate national championship basketball team while he was at the London School of Economics during his junior year abroad.

"It was the British lower division championship, but who's keeping track?" says Butters.

Down the road when he has additional free time, Butters would like to learn how

to sail. For now, he's just happy to be spending time at home as his family recently moved into a house with a pool.

"We want to enjoy as much time outside as we can," he says.

He calls Indiana University a wonderful place to work because of the sense of community as well as the supportive environment to grow as a researcher and teacher.

"It also doesn't hurt that it's a beautiful campus with a vibrant culture, and some iconic venues to watch a sporting event," he says.

"As someone who conducts empirical research in economics, these courses have been a real treat to teach because there is so much overlap,"

research economist was all about," he says. Given that his first month on the job was at the outset of the financial crisis (i.e., the Lehman Brothers collapse) that preceded the Great Recession, Butters got to work there when economic policy was at the forefront of the national conversation.

After graduating from the Kellogg School of Management at Northwestern University, Butters joined the BEPP department in the summer of 2015.

"I remember vividly receiving the call from then department chair, John Maxwell, that the department was extending me an offer," says Butters. "Unbeknownst to anyone here at the time, it also happened to be my birthday."

At IU, Butters has taught both

Professor Butters' family on a winter hike. From left to right: Becca, Ava, Alden, Andrew





New Faculty: Jennifer Rice - Senior Lecturer

Raised on a farm and a self-proclaimed “farm kid,” Jennifer Rice, the youngest of eight children, showed pigs and cows in 4-H in North Manchester, Indiana. She received her undergraduate degree from Manchester College where she played golf and basketball.

“I played in a basketball tournament in Beijing, China, on an Indiana high-school all-star team,” says Rice.

Following graduation, she attended Western Michigan University, Kalamazoo, Michigan for M.A. Applied Economics. After receiving her Ph.D. in Economics from Indiana University, for ten years she was employed by the Economics Department at Eastern Michigan University in Ypsilanti. She also worked in the Economics Department at Butler University in Indianapolis for seven years.

“My dissertation focus was on Health Economics—specifically, physician prescribing behavior and managed care,” says Rice, whose areas of interest include

Health Economics, Sports Economics, Applied Econometrics, and Applied Microeconomics.

After receiving her doctorate degree from IU, she dreamed of one day returning to campus as a faculty member, and now her dream has come true. This fall Rice joins BEPP’s faculty where she will teach Managerial Economics for both undergrad and MBA students, Econometrics, and Capstone in Economic Consulting.

“I was drawn to a career at IU due to my amazing experience here as a Ph.D. student, but the reputation of BEPP and BEPP faculty was another factor,” says Rice. “Not to mention the campus is beautiful. I also adore the academic feel of campus.”

She and her husband, Brian Shield, have two very large dogs named Butch and Sophie. The couple likes to vacation in Hilton Head Island. Rice’s favorite food is rivels, which are small lumps of egg dough that are dropped into hot soup like tiny dumplings.

In her free time, Rice likes gardening, golfing, camping, and assembling jigsaw puzzles. If she’s looking to chill, chances are she’ll pop in the classic movie Hoosiers, starring Gene Hackman or let off some steam on the basketball court or the putting green.

While at IU, she hopes to help students realize their academic and professional potential.

“I want to have a positive impact on students and help them understand the importance of economics in their lives, both academically and professionally,” says Rice.

“I was drawn to a career at IU due to my amazing experience here as a Ph.D. student, but the reputation of BEPP and BEPP faculty was another factor.”



Professor Rice’s rescue dogs, Butch (left) and Sophie (right).



New Faculty: Jia Xiang - Assistant Professor

You never know how life will turn out. Just ask Jia Xiang, who once majored in film directing.

"I wrote my script and produced my own little movie!" says Xiang, who grew up in Sichuan Province, China, an area famous for its spicy food and pandas.

Midway through her studies, however, she pivoted and decided to take her career in a totally different direction—changing her major to Economics. After graduating from Peking University in Beijing, China, she attended graduate school for Economics in China, then traveled to the United States to complete her Ph.D. degree from the Department of Economics at Penn State University in Pennsylvania. Her dissertation focused on Empirical Industrial Organization and health economics.

Her short-term goals is to establish more academic collaboration relationships and enrich her research portfolio. Long-term, her goal at IU is to become a well-known expert in analyzing healthcare issues.

Xiang is thrilled to be joining the Indiana University staff where she will teach G492: Predictive Analytics for Business Strategy.

"IU is home to a fantastic set of economists across the business school, Department of Economics, SPEA, and other schools," says Xiang. "Within my own department, there are a nice blend of theorists and empirical economists, and I benefit tremendously both from colleagues who share the same research interests and this mix."

Through the years, Xiang has had some excellent teachers, but she says she's learned the most not from a person but from an experience—particularly the act of failing.

"I have learned from various failures, knowing the right direction and how to do better next time," she says.

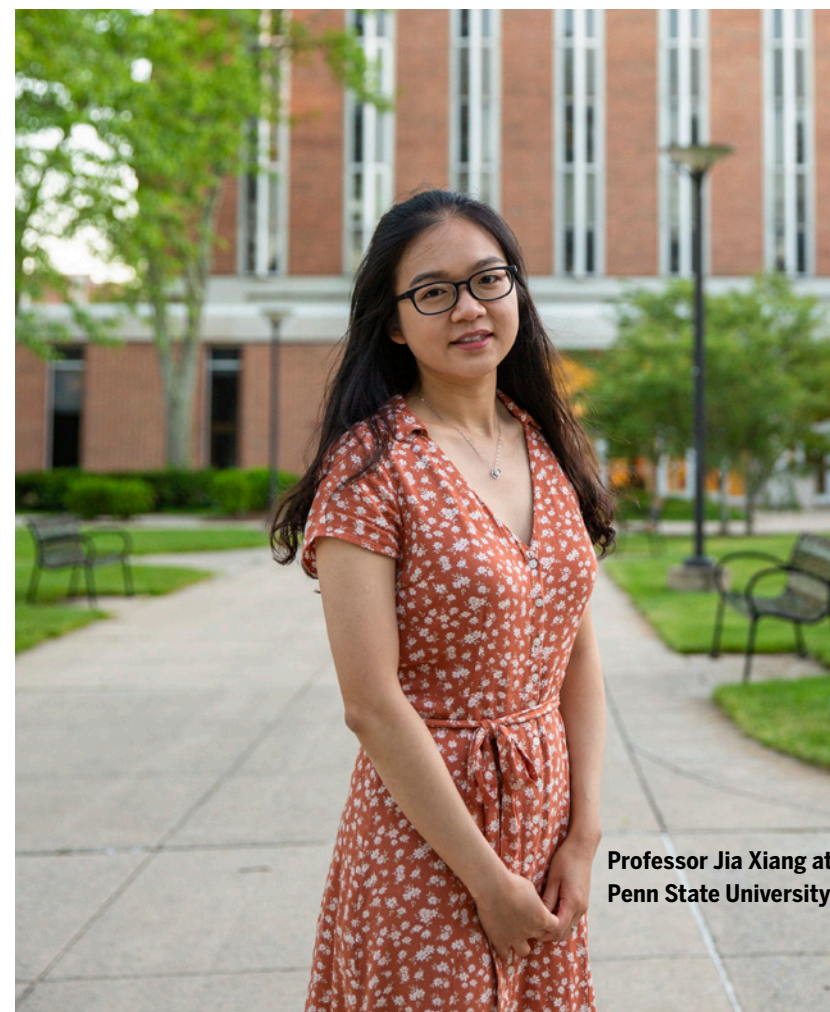
Xiang, her husband Ray, and their son, Ian, have quickly fallen in love with Bloomington's gorgeous campus.

"We are really enjoying life here!" she says.

In her free time, Xiang likes to try cooking dishes from other countries. Some favorites include chicken karahi, beef rawon, kottbullar, and cochinita pibil.

"My family is so dedicated to food that we have been known to travel far just for a beloved restaurant!" she says.

"IU is home to a fantastic set of economists across the business school. Department of Economics, SPEA, and other schools."



Professor Jia Xiang at Penn State University



“Kelley is a fantastic business school, and Bloomington is a great place to live.”

New Faculty: Thomas Youle - Senior Lecturer

Thomas Youle grew up in Rockville, Maryland, and got his undergraduate degree at Albion College in Albion, Michigan. He spent his last year of college studying at the London School of Economics prior to attending graduate school at the University of Minnesota in Minneapolis. His dissertation was on the market manipulation of the LIBOR benchmark interest rate. While at the University of Minnesota, Youle found a mentor in Pat Bajari.

“His energy and use of cutting-edge research was very formative,” says Youle, who hopes to provide the same positive influence for his students. “I want to be an effective teacher and resource at Kelley.”

This fall at IU, Youle will teach Predictive Analytics for Business Strategy and Money, Banking and Capital Markets.

“I hope to bring cutting-edge empirical and statistical research into the classroom, exposing students to the exciting developments and case studies in economics and business,” says Youle, who plans to invite distinguished alumni into the classroom to guest lecture so that they can connect with students and

bring real-world insights to supplement the course material.

“In time,” he says, “I hope to be a part of the superb workshop system at Kelley.”

He was interested in joining the BEPP faculty for a number of reasons, which included the people, the atmosphere, and the school’s stellar reputation.

“Several of my graduate school classmates were faculty here,” says Youle. “Plus, Kelley is a fantastic business school, and Bloomington is a great place to live!”

Youle and his wife, Jenni, have a two-year-old daughter named Elizabeth and are expecting another girl this summer. In his free time, he enjoys gardening and playing strategy board games. He also is a huge bookworm.

“There’s never enough time to read all the books I would like to,” he says.

He used to volunteer to teach college courses in correctional facilities in New York, which was work he found very rewarding. At some point in the future, he hopes to resume volunteering at correctional facilities here in Indiana.

For now, he’s having fun getting acclimated.

“My wife and I are loving Bloomington,” he says. “What a wonderful town.”



Professor Thomas Youle with his wife and children

BEPP Alum Shirin S. Baradaran - Merging Economics and Policy

Shirin S. Baradaran graduated from IU in 2013, just after the Global Financial Crisis.

“That was a time of change and a time of people grappling with really big questions about our financial structure,” says Baradaran. “Now our financial markets are in turmoil again so everyone is once again asking, ‘How can we improve this balance between business

Baradaran. The industry is highly regulated, which means businesses in this industry have to comply with a long list of statutes and rules.

“There are a large number of laws enacted by different regulatory bodies that are sometimes contradictory and always painfully complex,” Baradaran says. “My job is helping the business understand its obligations, develop

“I always thought I’d mostly need my economic skills, but actually it’s the big picture of public policy - the understanding what governments do and why - that has been a really important skill.”

interests and protecting investors?’ It’s an interesting time.”

Baradaran currently acts as legal counsel for Fidelity Investments, with her area of focus being asset management and, specifically, registered investment funds.

“Functionally, what that means is that I help clients with their business problems and help them develop and execute their strategies in a way that complies with applicable laws,” says

strategies for complying and meeting those obligations, effectively communicating those strategies to internal and external stakeholders, and then basically helping to keep the lights on!”

Being a corporate lawyer is not easy work. You’re expected to master so many different learning curves quickly, have a firm grasp of business concepts, and be an incredibly strong critical thinker while

(continued on page 18)



BEPP Alum Shirin Baradaran

also demonstrating creativity, collaboration and technical perfection.

“That’s a tall order for anyone,” says Baradaran. “But my background in BEPP—in particular, the technical skills it taught me, the critical thinking, economic and business concepts, and teamwork—prepared me well for that challenge.”

She admits to being constantly surprised by how much public policy impacts her day-to-day job.

“I always thought I’d mostly need my economic skills, but actually it’s the big picture of public policy—the understanding what governments do and why—that has been a really important skill,” says Baradaran.

During her senior year at IU, Baradaran and her team won a business case competition in which the grand prize was scoring courtside seats to the men’s IU basketball game on Senior Night.

“My boyfriend [now husband] was student teaching in northern Indiana and drove back to campus through a snowstorm to go to that game with me because that was a once-in-a-lifetime opportunity!” she says.

Baradaran met her husband, Anthony Zeese, freshmen year through debate, and they became debate partners.

“Those have been skills that have carried through in our marriage!” she says. Living in New England, they love to explore all the great beaches and breweries. The couple have a Golden Retriever puppy named Lucy despite Anthony lobbying to name her Hoosier.

Baradaran, an avid reader, also serves as an elected official in her town of

Dedham, Massachusetts, as she is the chair of the town’s board of library trustees tasked with overseeing the library’s operations.

“I enjoy representing different stakeholders and dealing with a lot of really important issues,” says Baradaran, who just finished reading *Taste Makers: Seven Immigrant Women Who Revolutionized Food in America*. “Libraries are in the news all the time right now related to banning books and representation. We have to make sure we’re still relevant in our community, and I get to help the organization navigate some of those challenges.”

One of Baradaran’s IU professors once told her, “You never want to be the smartest person in the room.” For the longest time, she didn’t understand that, but she’s come to realize what he meant.

“When you’re not the smartest person in the room, then that’s an opportunity to grow, learn and be challenged,” she says. She has also recognized what a privilege it is to learn when someone is willing to teach you.

“We get busy, learning is hard, and maybe we’d rather not do it, but if someone is willing to teach you something, it’s smart to take advantage when that gift is given.”



Turkish Initiatives Develop International Relationships In and Out of the Classroom

About five years ago, the President of IU, the Dean of the Kelley School, and the Associate Dean of Kelley visited Turkey to see what opportunities might exist for a collaboration. In 2017, Kerem Cakirer, BEPP senior lecturer, began working with the Turkish Initiative, serving as director.

The goal of the Turkish Initiative is to form relationships between Turkish universities and IU Kelley.

“We’d like to initiate some programs such as online progress, dual degrees, exchange programs or maybe even recruiting Turkish citizens to the U.S. and have MBA or even undergraduate students here,” says Cakirer. “That’s the goal, but it’s still a progressive thing.”

Cakirer and his fellows worked simultaneously on three different projects at three Turkish different universities: KOC University, TOBB University, and Izmir Ekonomi University. The first is an exchange student program, the second is a dual MBA program, and the third is an online MS program.

“The MBA students will take some of their electives online from IU, and if they would like to continue the MS program, they can count those electives as credits and continue their MS online program in Kelley,” says Cakirer.

That plan went on for three years. During that time, Cakirer recruited 20 students, the maximum number of

students allowed to enroll each year. They continued their study in Turkey but could take MS programs as well.

“The main goal was to expand IU’s presence in Turkey,” says Cakirer, noting that IU has other programs in England, Korea, China, India, and Eastern Europe as well.

This year IU started the initiative again with Sena and Seda Durguner, two Turkish colleagues of Cakirer’s who work in Kelley’s Finance Department. Cakirer, Sena and Seda started working on new projects with the full support of the Dean’s office.

“As Kelley Business School, we are looking forward to improving our

partnership with Koc University, one of the most reputable universities in Istanbul, Turkey,” says Sena and Seda. “With this initiative, our goal is to provide a global experience where students get the opportunity to learn more about different cultures and establish life-long professional networks outside their domestic country. We are hoping this initiative will help Turkish students to network in the U.S. and Kelley students to network in Turkey.”

Following the COVID pandemic, the market for online programs has grown.

“Kelley is number one in offering the MBA and MS programs online, making this a perfect pairing,” says Cakirer.





data privacy laws that's going to go well beyond Google and Amazon," he says. "Some people want to act like digital markets are this unicorn thing, but it's not necessarily new."

The key economic forces that drive optimal decision making will change. It's not that they are new economic forces; it's that they are playing a more prominent role and understanding of how that change is taking place and what that means in terms of best practices. This applied economics course is designed to help students navigate those things.

"It's trying to help students bridge the abstract notions of things like having zero marginal costs, switching costs, search costs, lock-in, standardization," says Prince. "And then thinking about how that applies to actual managerial decisions they might have to make or how it applies in markets they might have touch points with."

Teaching this course is in Prince's wheelhouse. Not only does much of his research touch on these topics but he also recently took a year-long sabbatical to work at the Federal Communications Commission.

"Telecommunications plays a central role in all of this so I have a good combination of skills and experience to offer this course," says Prince.

And the timing couldn't be better as digital economics is only going to become more prominent across industries.

"I believe that we will be one of the early undergrad programs to offer a program like this, but I think it's the kind of thing that we'll see more of over time," says Prince, who anticipates that there will be demand on both sides—both students who will want this content as well as employers who will want students to understand these concepts.

Course Spotlight: Digital Economics for Business

Analyzing the challenges of the future with the tools of past successes

As more of the economy goes digital, the BEPP department has a brand-new course called Digital Economics for Business that is perfect for students who are interested in getting a better understanding of the key economic forces at play. The course, which will be rolled out in the spring of 2024, will cover key economic concepts, business models & strategies in the context of economics, and actual business applications. Students will examine the markets where digitization is occurring and discuss what that means in terms of how firms compete. Plus, they will dissect what the market structure looks like.

The course, which will count as an elective for the business analytics co-major, will be taught by BEPP Chair Jeff Prince. He'll start off the semester by examining specific industries.

"I want them to have the skills to be able to look at an industry's key features, see where digitalization plays a role, and identify the key economics that they need to be thinking about for this industry," says Prince.

For example, if they are the decisionmaker, they might ask, "What should I be thinking about when it comes to pricing strategies or rolling out new products?" If, however, they are a buyer or customer, they may ask, "What should I be anticipating? Where might I expect the industry to be moving? Should I expect different pricing strategies over time as the industry evolves?"

"It's really just being able to bring that critical eye to different business situations and identify the relevant economics of what it means in terms of making good decisions," says Prince. "Because digital economics is an ongoing process, we'll talk about where we see things emerging and where we see transformation in progress."

The course will also talk about regulations as regulating the big digital platforms has been a hot-button topic. That certainly provides a lot of interesting conversations about the economics, in and of itself, but Prince plans to reach beyond that.

"There will be ongoing conversations about





The Vietnam Initiative (VNi) is a global network for research and training in development policy in Vietnam. Founded in 2010 by IU's O'Neill School of Public and Environmental Affairs Professor Tran Ngoc Anh, the VNi is a large group of independent scholars, who organize regular seminars and conferences in Vietnam. Andreas Hauskrecht, Clinical Professor of Business Economics at Kelley's BEPP Department, is the co-director of the initiative, along with SPEA Professor Kerry Krutilla.

On the research side, VNI regularly conducts policy analyses requested by the Vietnamese policymakers. These analyses are carried out by research associates from more than 40 major universities and international institutions across the U.S. and around the world. The VNI is a Think-Tank of 60 scholars worldwide who are passionate and knowledgeable about Vietnam, including

professors from Indiana University, the University of New South Wales, Duke University, RMIT, Cambridge University, Harvard University, and IPAG Business School Paris.

“We’re providing educational services for the Vietnamese public sector and also providing research and advice for the government,” says Hauskrecht.

The World Bank has given a loan of \$460M to the three biggest universities in Vietnam—the National University of Hanoi, the National University of Ho Chi Minh City, and the University of Danang. While Hauskrecht and his associates are working directly with those three universities, they are not the only universities because the big three actually host other universities, making them like an umbrella organization. This means that, in total, IU is working with 24 universities in Vietnam. The idea is to grow those universities in modern

autonomous universities so that what they teach is politically independent and increasingly financially independent.

“The Vietnamese government does not use loan money for technical assistance,” says Hauskrecht. “They use loans only for hardware, which includes buildings and labs.”

When the World Bank gives a big loan, it's common that they find a national donor who gives a grant for technical assistance. In this case, funded by USAID, the Partnership for Higher Education Reform (PHER) is a five-year initiative to modernize Vietnam's leading universities and strengthen Vietnam's higher education system in alignment with USAID's Higher Education Program Framework. USAID gave a grant for \$14.2M for five years.

"This is one of the biggest grants that IU has received in that field," says Hauskrecht. "Although it's a program with

a complicated structure, we have four pillars to make it simple.”

The first pillar is governance, which includes quality assurance, management systems, and IT systems for the university. This main pillar has 12 sub-objectives. The second pillar is teaching & programs.

“We want to help them develop world-class curricula for different schools and programs,” says Hauskrecht, noting that they potentially also want to work in the direction of having joint programs with the Kelley School of Business and the O’Neill School of Public and Environmental Affairs.

The third pillar is research as they want to help the Vietnamese researchers with contacts in the U.S—with mentors to publish in international refereed journals.

“We’ve built seven Vietnam
International Academic Networks



(VIANs) where US-based academics work with Vietnamese counterparts,” says Hauskrecht, who is the only one out of two non-Vietnamese academic coordinators of the VIANs. Nevertheless, he continues to meet with a teacher to improve his Vietnamese speaking skills.

“When it comes to language, you have to practice with the guy at the bar or the taxi driver, and COVID made that difficult, but I’m improving,” he says.

The fourth pillar is linkages, which is essentially the connection between the universities and the private sector.

According to a report called “Vibrant Vietnam: Forging the Foundation of a High-Income Economy”

launched by the World Bank in May 2020, Vietnam’s goal is to become a high-income economy by 2045.

Hauskrecht has been working in Vietnam since 1991 in various advisory roles.

“I’ve worked for five different Prime Ministers and six Central Bank governors,” says Hauskrecht. “In fact, I’m so old that the current Central Bank governor is my former student!”

In July 2022, Indiana University had a conference in Vietnam that put PHER on the map in terms of leaders meeting leaders. Roughly 30 experts from IU, plus

120 Vietnamese experts and a couple dozen ambassadors and VN politicians, participated. One of the keynote speakers was former IU provost Lauren Robel. Other key IU players in attendance included Munirpallam Venkataramanan, the former executive VP for finance and development, and Terry Mason, former Dean of the School of Education. In addition, Hannah Buxbaum, Vice President for International Affairs and Ash Soni, Interim Dean, Kelley School of Business, were attending the conference.

This fall and spring 2023, Hauskrecht and his team will host 5 groups of Vietnamese leaders and key administrators from the three Vietnamese universities at IU in Bloomington. Then in 2023, they start the implementation in Vietnam. In his 31 years of working with VNi, Hauskrecht has been to Vietnam about 150 times.

“It almost feels like home,” he says.

In Hauskrecht’s opinion, PHER comprises all the strengths of IU.

“This is an enormous international outreach opportunity for Indiana University,” says Hauskrecht. “PHER is a wonderful way for IU to have an impact on the educational system of another country.”

BEPP Faculty in the News

Professors Jennifer Rice, Andrew Butters, and Ellie Mafi-Kreft all found in the headlines

2021 and 2022 brought many opportunities for our faculty to shine and share their passions and knowledge. It was another year of Andrew Butters continuing to be a go-to resource for news outlets across the country, but Jennifer Rice and Ellie Mafi-Kreft both shared their voices as well.

Professor Butters kicked off the academic year with an interview with the Fox59 News (shorturl.at/BFHRW) on being cautious on making econonomic insights too early. Later, he talked with the South Bend Tribune (shorturl.at/cINUX) on the tight labor market facing employers. Andrew Butters was also interviewed by Fox59 (<https://rb.gy/a78g28>) on the labor shortages facing seasonal employment needs. Professor Butters also discussed labor shortages, particularly amongst bus drivers and the impacts those shortages were having on public schools with CBS4 News (<https://rb.gy/tt5n5w>). He also addressed misconceptions about labor shortages being caused by Pandemic Aid, but from other factors like childcare issues and many employees retiring early during the pandemic (<https://rb.gy/nac6il>). BEPP Professors Andrew Butters and Kyle Anderson were both featured at the Indiana Business Outlook Panel in Columbus, Indiana last November. You can read more about it The Republic (<https://rb.gy/bnzihy>).

Discussions of inflation were a big topic of conversation for Andrew Butters all year. He discussed the issue with WTHI-TV10 (<https://rb.gy/tjspx>) and WFYI (<https://rb.gy/wsnxs>). He ties inflation with many factors, including labor shortages and shipping obstacles. He talks about how these factors have a particular influence in food service when being interviewed by ABC57 (<https://rb.gy/cyqqhw>).

“Really what we’re seeing is a combination of demand and supply imbalances until we have a labor market again to get closer to the rate we saw before the pandemic,” said Butters.

The IndyStar sought out the knowledge of BEPP Professors Jennifer Rice and Kyle Anderson during their presentation at the Kelley School of Business’s Annual Business Outlook event (<https://rb.gy/2g5qii>).

“We expect to add jobs each quarter, but yet we will experience a labor shortage just like at the national level,” said Jennifer Rice.

WTHR 13 discussed the jump in gas prices in March of this year with Professor Butters (<https://rb.gy/4eatu6>).

“Oil prices are certainly going to be a primary driver of transportation and shipping costs, and that can affect a

broad base of goods and services,” said Butters.

Butters was contacted by the South Bend Tribune (<https://rb.gy/p3virf>) on the Indiana employment outlook, in particular the employment goals of the Elkhart Amazon center.

“Firms will need to be innovative and creative to fill the slots,” said Butters.

ABC57 news contacted Professor Butters in May about grocery store shortages (<https://rb.gy/ijcsd7>), where Andrew theorized that many people continue to stockpile items, which fuels more grocery store shortages.

The IndyStar interviewed Andrew Butters in June to talk about the labor decline during the pandemic (<https://rb.gy/pq80nt>).

“It was such a huge decline — basically a decline that we wouldn’t normally see,” Butters said. “It would take a decade to see that kind of decline.”

Professors Steven Kreft and Ellie Mafi-Kreft wrote a piece for the Milwaukee Independent (<https://rb.gy/p2c4bb>) on the massive pullout of company movement and revenue from Russia after the invasion of Ukraine. They also detailed ways that employees and other firms can further support Ukraine through financial choices.

In July, Andrew Butters was interviewed by WANE 15 news on the possibility of a recession (<https://rb.gy/wgsebv>), worries which he addressed as not an impossibility but something that is too early to predict.

Department Chair Jeff Prince was featured as a guest speaker on the podcast “Two Think Minimum” on the FCC and telecommunication platforms (<https://rb.gy/oprw6p>).

WRTV News asked Andrew Butters his thoughts in August on how the yet-to-be-finalized student loan forgiveness bill (<https://rb.gy/3vqaun>).

“This is by all accounts something that will be supporting demand and likely having an impact on labor supply decisions that might still leave people potentially out of the market,” Butters said. “So those two things in this current environment would potentially make things a little bit worse on the inflation side.”

Ending the academic year in September, Andrew Butters discussed more labor market shortages and how they are a trend that may not be going away soon with the South Bend Tribune (<https://rb.gy/htbw76>).



KELLEY SCHOOL OF BUSINESS

Indiana University

Business Economics and Public Policy
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About Us

We have our roots in the first business course offered at Indiana College in Bloomington in 1830. Indiana College grew to be Indiana University, and the School of Commerce and Finance, established in 1920, grew to be the Kelley School of Business. We've offered business courses on our Indianapolis campus since 1916, implemented executive education in 1952 and advance business education on a global scale. Our timeline showcases more than 100 years of business excellence.

Our faculty members demand, and get, the best out of our students. Kelley students learn how to drive results. This quality is reflected in our exceptional student job-offer rates, the reputation of our career services and our global position as a top business school.

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