


Budget Cuts Central

BOARDS HEATING UP

The recent release of the data surrounding USM's \$11-\$12 million budget cut formed the backdrop for a heated debate about USM's decision to eliminate the economics major from the College of Business. The two main contributors to that debate were "Art Vandelay," an opponent of the eliminations, and "Baldwin," a proponent of the cost-savings measure. Also involved was "LVN," thought to be a former staffer in USM's CoB (Linda Vance). The crux of that debate is represented by the string below, which can also be found at the "USM Forum – *To build trust, a team and a campus* – Message Board."

[USM Forum-- To build trust, a team and a campus - Message Board](#) -> APG Budget Reduction Recommendations (Academic Affairs), 8/11/09

Post Info		TOPIC: APG Budget Reduction Recommendations (Academic Affairs), 8/11/09	
<u>info</u>		APG Budget Reduction Recommendations (Academic Affairs), 8/11/09	Reply Quote
		APG Budget Reduction Recommendations (Academic Affairs)	
		Download APG Budget Reduction Recommendations Spreadsheet, http://www.usm.edu/provost/budget_planning/USMBudgetReductionRecs.pdf	
		Southern Miss Group Makes FY 2011 Budget Cut Recommendations	
Posts: 516	Date: yesterday	HATTIESBURG, Miss. - University of Southern Mississippi officials are reviewing budget cuts proposed by a campus-wide committee, as well as identifying additional areas for reductions, to lower spending by \$11-12 million for fiscal year 2011.	
		The proposed spending reductions are in response to an anticipated shortfall in state appropriations and general cost increases. The university's Academic Planning Group (APG), under the leadership of Southern Miss Provost Bob Lyman, has been working since last fall to study budget-related issues and how the university can address those.	
		"We have never witnessed economic conditions like the ones we face today, which necessitate that we make hard choices," said President Martha Saunders. "We are in the early stages of a thoughtful, strategic process in which meeting student needs will be our top concern, while finding efficiencies without jeopardizing growth."	
		The university plans to reduce spending in the academic area of the university by approximately \$7.5 million, and examine non-academic areas for the remaining amount.	

http://www.usm.edu/provost/budget_planning/budget_recommendations.php

LVN

Posts: 397

Date: 23h, 23m ago

Reply Quote

Giving this a quick review, except for the impact in the COB this seems to fall heavily on staff. It's interesting that no mention has been made of staff who have already been laid off. I know of five so far, although I think one of those has moved to part-time in another unit.

Who among the administration besides Denise von Herrmann have offered to take salary cuts?

-- Edited by LVN on Tuesday 11th of August 2009 04:14:52 PM

Love your enemies. It makes them so damned mad. ~P.D. East

Art Vandelay

Posts: 4

Date: 18h, 9m ago

Reply Quote

What to you call a university that thinks it can do without economics??

A university with marginal utility. 🤔

Baldwin

Date: 17h, 59m ago

Reply Quote

Let's see...cut one area with 5 grads last year and save almost \$1 million...that sounds like a smart move to me. COB will still have intro-level economics available for its majors and other interested students, but it will simply cease to offer upper-level specialty classes that usually have extremely low enrollment and that allow these highly paid faculty to interact with only a handful of students.

Would you rather cut 20 English profs instead?

Art Vandelay

Posts: 4

Date: 15h, 47m ago

Reply Quote

Baldwin:

1. The trade-off is not between English and Economics; they belong to different colleges and the colleges were asked to come up with separate budget cuts.

2. English is a core requirement, and so is Economics. English was not much affected, while Economics was not just reduced, it was ELIMINATED. And do note how CoAL's Dean managed to cut cost while keeping most of its faculty.

3. Economics created, developed, and taught the "international business" (IB) major, a curriculum that is 95% identical to the pure econ major. Include the 100+ IB majors as would be appropriate and the student to faculty ratio changes quite a bit. All in all, economics faculty have been generating some of the highest SCH around. To boot, they publish more and in better journals than their colleagues in CoB.

4. Following your fuzzy logic, rather than cut 10 (or so) positions in economics, CoB might want to consider cutting 5 positions in finance for the same budget effect.

Art

Anonymous
Date: 6h, 43m ago

Reply Quote

Stick with Seinfeld, Art. That was funny, this is not.

Baldwin
Date: 4h, 39m ago

Reply Quote

Art,

Economics may be a core requirement, but most students at USM take one (1) course in economics, not the three (3) that are the norm (freshman comp1, freshman comp 2, and literature). The economics faculty tried very hard to work as many required econ courses into the business major as they could in an effort to protect their phony-baloney jobs; at most business schools, students take 2 econ courses.

Now consider the economics major: five graduates per year, year after year. I'm glad you brought up the IB major. Since its protector, Farhang Niroomand, left town for Houston, I assume Art Vandelay is now the protector of the faith for IB. USM has zero (0) faculty who are real IB scholars; some who claim this title are merely economists in disguise, untrained in real IB. A few IB graduates get decent jobs, but most of the firms who hire USM business grads know just how useless an IB degree from USM really is. USM is facing a mandate to retrench and retain only necessary units and programs. Aside from all that, the USM IB program isn't even a real IB program by national standards.

Mississippi needs more well-trained and ethical accountants, bankers, managers, etc., than it needs international businesspeople. Pushing an IB degree in Hattiesburg is akin to selling the most high-tech roof to a person living in a run-down shack; a better use of money would be to rebuild a firm foundation in business education. Maybe this budget crisis will allow the elimination some of the fat, low-impact programs that exist as vampires, existing off the energy of productive programs and draining them of their rightful funding.

Before anyone claims that "economics is central to a good business education," let me reiterate that most business students at major universities take only two principles of economics courses. International economics is NOT necessary for a business degree. Intermediate economics is NOT necessary for a business degree. Specialized economics elective courses are NOT necessary for a business degree. These courses are luxuries, and the Mississippi budget environment is not conducive to many luxuries. Perhaps if the USM economics faculty had not spent years wasting students' time teaching personal favorite theories and reading from the Hattiesburg American, alumni might care more. In point of fact, they couldn't care less.

You also mention finance. Finance has paid a high price: losing three degree programs, a faculty line, and a center directorship. However, finance carries 250-300 majors at any given time, and finance has real community support from the banking community, the financial services community, the insurance community, and the real estate community. There are real opportunities for finance graduates to succeed in Mississippi, whereas economics or IB majors have many fewer opportunities. In addition, there are about five finance faculty for 250 majors (that's about 50 majors per faculty member), while there are about ten economics faculty for 5 majors (that's 1/2 major per

faculty member; if you add in IB, the ratio still pales in comparison).

Besides finance, accounting also has an in-state constituency , and management, marketing, and tourism management are right there with them. The only USM business degree program without an immediate purpose or mission for the people of Mississippi is economics. The economic development (IDV, etc.) program has usurped economics' position, since the economists have always been too busy with internal politics and other wastes of time to actually assist the state, the community, or individuals where "the rubber meets the road."

Finally, economics has long been a political problem within the COB, causing disquiet with power grabs, money grabs, and infighting. USM's economics group isn't productive by any independent measure: they produce a little low-level scholarship, perform negligible university and community service, and they teach very few students outside of the three service courses that vaguely resemble service courses taught at other universities.

USM's economics faculty has known for two decades that its low production of graduates put them at risk for elimination and they have done nothing about it. It's time to take the ticks off the backs of the hounds.

Baldwin
Date: 3h, 52m ago

Reply Quote

Let me also point out something that should be obvious. Art Vandelay says that there is demand for the IB major. If one examines the IB curriculum, one will find that it is economics-heavy. In fact, it is a "shadow" economics major. Are economics and IB programs the same (nationwide)? No. The USM IB major is a way to "trick" students into taking economics courses to protect econ faculty lines. Any difference in enrollments for the two majors simply points out the fact that STUDENTS DON'T WANT THE ECONOMICS MAJOR.

LVN
Posts: 397
Date: 2h, 59m ago

Reply Quote

A friendly word to the COB: "substantive change"

It's not my job to care about this any more, but as soon as these cuts look like a done deal, surely somebody will be on the phone to Tampa. Next fall is too late.

Love your enemies. It makes them so damned mad. ~P.D. East

Anonymous
Date: 2h, 39m ago

Reply Quote

Please explain the "Tampa" comment; I do not understand it. Even if you no longer care, please share the information you have.

Thank you.

LVN
Posts: 397
Date: 2h, 31m ago

Reply Quote

AACSB requires notification of any substantive change in a program. I don't

have my book anymore and am not going to look it up, so I can't tell you exactly what the required time frame is.
(And I did not say I didn't care. I said it is no longer my job to care. As it happens, I care very much.)

Love your enemies. It makes them so damned mad. ~P.D. East

Clearly, LVN assumes that CoB dean Lance Nail has not already contacted the AACSB about the elimination of ECO, a program that is not essential to a business school in the first place. Sources say that Nail has been around the block, and that the AACSB will not be an obstacle facing the Saunders administration in making this cut.

WHY IS LYMAN SO JOLLY?

A number of USMNEWS.net readers have commented on the photo of USM provost Robert Lyman that accompanied Tim Doherty's [12-August-09 article](#) in *The Hattiesburg American* about the budget cuts at USM. In the photo, Lyman comes across as happy about USM's decision to fire 7 tenured and 5 tenure-track faculty. That photo is reproduced below:



Robert Lyman, USM provost

Looking at the picture above, USM clearly did not do itself any public relations favors with its constituencies. Lyman's apparent glee over cutting so much out of USM's budget will likely only fan the flames in the coming days.