Economics Department Statement on Racism and Discrimination Department of Economics, Eller College of Management, University of Arizona July, 2020

We have witnessed the tragic murders of too many Black Americans, including George Floyd, Breonna Taylor, and Ahmaud Arbery, amongst many others. We strongly share in the national outrage over police brutality and the killings of these and other Black Americans. As a society, we have not treated Black lives with the dignity that they deserve. We stand with the thousands of peaceful protesters who have made this point clear in the past weeks. During this time, we have been listening, reading, and reflecting on these events—both personally and professionally.

In this message, we would like to share some observations about how we might view the broader discussion of racism and discrimination in the context of the economics profession. We then discuss potential next steps.

Most academic institutions in the U.S. have discriminated against African Americans and other minorities at various times in their history. The economics profession has had its own problems with discrimination. Even today, Black Americans remain underrepresented in the economics profession. The recent AEA climate survey and a 2020 ASSA Panel on the Race Problem in Economics both show that minority economists personally have experienced racism and discrimination from their colleagues and students and are deeply unhappy with the state of the profession. This is unacceptable, and economics is by no means unique in the academy in this regard.

Such discrimination hurts the individuals who are being discriminated against. It also hurts the economics profession more broadly: it is important to have economists with a diversity of experiences. Simply put, it makes economics research better. We have seen this through our own experiences. Economics researchers of different races—and also social classes, genders, continents and regions of origin, and sexual orientations—have increased the scope and diversity of research questions and methods. Increasing the diversity of economists' experiences is imperative to improve the overall quality of economics research.

One way that discrimination and lack of diversity manifest themselves is through narrow priors—i.e., stereotypes and assumptions—on the potential for discrimination and, more generally, on issues of race. Economics' use of models is one of its greatest strengths. But, the conclusions that we draw from models are ultimately driven by their underlying assumptions. Too often, economic models have understated the role and impact of discrimination through choices of research topics and modeling assumptions that reflect a limited view of how society functions. Yet, as economists, our toolkit, training, and research questions allow us to make progress on issues of racism and discrimination, and we see this as an opportunity moving forward.

As economists, we have a seat at the table in policy discussions. That seat comes with great responsibility to productively inform the policy debate on issues of national and global concern. While some economic research has analyzed racism and discrimination, the profession's problems with racism and discrimination have nonetheless limited our ability to critique and analyze policy. Improving economic models to think better about race would make our contributions more valuable. It is critical that we, as social scientists, do this.

Racism and discrimination are more than policy concerns; they are critically important moral concerns that economic research can and should address as a central part of our mission.

Now is the time not only for reflection but for action. The American Economic Association and other related professional societies have been developing new policies to improve the climate in the profession. We, as a department, must do our part to overcome these limitations. We have begun a conversation about how to do so. In line with UA initiatives, as a first start, we are putting forward five actions that we will take to address these issues.

- 1. We are working on improving the representation of minorities and other underrepresented groups among UA Economics students. It is important that students of all ages understand what Economics is and the types of questions that economists answer. We are investigating ways to expose high school and early college students to the wide range of questions that economists study. Our hope is that helping students appreciate that the study and practice of economics extend far beyond the study of money will help increase the diversity of economics students. Further, we hope to better mentor our undergraduate students—particularly those from underrepresented backgrounds—on the value of graduate training in economics and the courses that students must take to prepare for this.
- 2. We are creating a travel scholarship to send one undergraduate student per year to a national conference that encourages students from underrepresented groups to pursue economics, e.g. <u>The Sadie Collective Conference</u> in Washington, D.C., named after Dr. Sadie Tanner Alexander, the first African American to receive a Ph.D. in Economics, in 1921.
- 3. We are creating an undergraduate course on the Economics of Discrimination where, among other topics, the role of racism will be studied.
- 4. We are forming a reading group to study issues of racial discrimination, including readings from other social science fields. We will soon be emailing faculty and Ph.D. students to set up an organizational meeting. We encourage all faculty and PhD. students who are interested to participate in this important activity.
- 5. Finally, we are working to gain funding to help us pursue these goals. An important part of the process is communicating with the funders about why these goals are important.

We emphasize that we view these suggestions as the beginning of a discussion that, we hope, will include everyone in the UA economics community. We ask that you join us in this discussion.