

Application for Renewal - AFP DDP Proposal for 2011-2012 Academic Year

Economics Department, American University of Central Asia

Cooperation and support extended by Academic Fellowship Program (HESP-OSI) to the Department of Economics during the 2010-2011 academic year has been essential. Although a considerable progress on both curriculum improvement and faculty development has been made, the Department continues to face significant challenges. The Department has continued its work aimed at attracting highly-qualified faculty with long-term commitments, developing and putting into practice curriculum tailored to the needs of the country, and establishing a rich network of partnerships. While some Departmental activities have been successful, others were not as effective. Therefore, the Department of Economics strongly looks forward to the continuation of cooperation with AFP program.

The Department has taken a set of actions to address the challenges, which are presented below and structured into four main clusters: Faculty Development, Curriculum Development, Extracurricular Activities and Partnership.

Faculty and Faculty Development

Faculty

Department's long-term objectives: in 3 years, to gather a standing team of 7-8 full-time faculty members, local professors with long-term commitment; all with at least one of their degrees from a Western institution and/or with local PhD equivalent, and with a good exposure to and experience with Western education tradition to build a strong basis to open a Master's Program in the future.

Currently, there are six faculty members employed on a full-time basis and four part-time faculty members. Faculty members teach core and a number of elective courses.

Issues faced by the Department in 2010-2011 academic year:

- lack of skilled and qualified teachers with appropriate Western education who are able to introduce innovative and progressive teaching methods;
- absence of a stable faculty development program;

- low salaries and limited benefits available.

Performance in 2010-2011:

One full-time professor Djamilya Sopukeeva left the Department, which resulted from the changes in requirement for all courses to be taught in English at the beginning of academic year. Instead, part-time faculty member Rahat Sabyrbekov, RS has been employed on full-time basis effective Spring 2011. Two faculty mentioned in DDP of 2010-2011 (Elvira Kurmanalieva and Nazik Beishenaly, both with western PhD degrees) had changes in their plans and did not start the cooperation with the Department. Aidai Kurmanova (M.A. in Economics, International University of Japan) joined the department in Spring 2011 and started teaching part-time with plans of long-term cooperation.

The cooperation with AFP has been a serious beneficial process for the development of the faculty. All RSs and non-AFP faculty members have benefited from the cooperation with International Scholar Dr. Charles Becker on developing qualitative research, understanding and skills to work on their current research projects, and building networking with other academic institutions with the use of Professional Development Fund.

Plans for 2011-2012:

Through AFP fellowships, to attract the new faculty member, Aidai Kurmanova, who has applied for AFP fellowship.

Nurbek Jenish, Asel Kyrgyzbaeva, Rahat Sabyrbekov, Tolkunbek Abdygulov, and Aibek Kadyraliev have reapplied for AFP fellowship – Economics Department fully supports awarding the fellowships to them.

Faculty Development – Performance in 2010-2011 Academic Year

The department is actively promoting capacity building and professional growth of its faculty. Last year the department recommended two faculty members (R. Sabyrbekov and A. Kadyraliev) to be enrolled in local PhD programs. They have successfully completed their first year of study. For example, Rahat has successfully passed all examinations at his local PhD course. At the moment he is collecting data, doing literature review, designing survey instrument and identifying the model. His initial Intellectual Property Commercialization was narrowed down to

Intellectual Property Cross-border Commercialization of IT companies in Bishkek. Aibek passed first two exams and starts working on his PhD research paper from review of current economic models used by authorities in Kyrgyzstan for analysis and forecasting economic development.

Asel Kyrgyzbaeva and Tolkunbek Abdygulov continue their second year education in local PhD programs. Asel has successfully passed 2 comprehensive exams (Information Technologies and History and Philosophy of Science) out of three and will take the English language exam in May of 2011. Asel has already completed the first chapter of her dissertation and working on data collection. Tolkunbek is currently taking the “History of Philosophy science” course as a part of his PhD program. The course will be completed in May 2011 and after it Tolkunbek will take a qualification exam on this subject, this will be his third exam (out of four). During the Academic year 2010-2011, Tolkunbek completed the first chapter of his PhD thesis, the summary of this chapter is going to be published in the “Economy” magazine in April 2011.

The department has also supported participation of faculty members in various international and local seminars and conferences. Nurbek Jenish participated in the research workshop organized by the Kiev School of Economics in December 2010, where he presented interim results of the inflation targeting paper. In 2011, Asel Kyrgyzbaeva and Rahat Sabyrbekov participated in week-long Faculty Development Training organized by American Central Asian Education Fund in Almaty, Kazakhstan. A. Kadyraliev participated in “Financial programming” seminar organized for authorities involved in macroeconomic coordination in August 2010. T. Abdygulov during 2010-2011 participated in several seminars on capacity development and economic policy where he presented policy oriented papers, such as “Impact of the Global Economic Crisis on the Kyrgyz Republic’s Financial Sector”, “Macroeconomic Strategies of the MDG Achievement in the Kyrgyz Republic”, “Growth models and development strategy for Kyrgyz Republic”, and "Proposals to the economic program of the coalition government”, "Economic situation in the Kyrgyzstan: reality and future”.

Rahat is to apply for Regional Seminars for Excellence in Teaching by HESP, for Industrial Development in Post-Transition Countries with his research on Intellectual Property Cross-border Commercialization for IT companies in Kyrgyzstan.

Some of AFP scholars are in process of planning their use of Personal Development Fund. Currently, Tolkunbek Abdugulov in close collaboration with IS Charles Becker, working on organization of his visit to USA as a part of AFP's Personal Development Fund facility. Another scholar, Rahat, is making arrangements to visit the University of Birmingham to make a presentation and enhance his research. Aibek Kadyraliev is going to use his PDF for visiting library of National graduate institute for public studies in Tokyo and participate in a research workshop. Asel Kyrgyzbaeva and Nurbek Jenish are planning their trip to Duke University. Asel will be hosted by Edward Tower to get consultations on her dissertation as well as library research, and syllabus design for Labor Economics and Taxes and Taxation courses. Nurbek will work with Prof. Lori Leachman on the revision of his inflation targeting research.

Currently, faculty members continue working on the following research projects started last year (in progress):

1. Intellectual property rights in Kyrgyzstan: current situation and perspectives
2. Issues in the institutional framework for macroeconomic policy coordination
3. Possibility of inflation targeting in the Kyrgyz Republic
4. Exchange rate pass-through in the Kyrgyz Republic
5. Intellectual Property Cross-border Commercialization of IT companies in Bishkek
6. Online economy: development, trends and perspectives in the Kyrgyz Republic
7. Role of regional integration in economic development of Kyrgyz Republic. Case of EurAsEC.
8. Financial services liberalization and banking sector development in the CIS
9. Interaction between monetary and fiscal policy in Kyrgyz Republic
10. Impact of the world economic crisis on the economy of Kyrgyzstan

Curriculum Development

The Department continues to work on improvement of the economics curriculum towards establishing the standards of leading economics schools.

Issues faced by the Department in 2010-2011 academic year:

With new curriculum that came into force in 2009 Fall Semester, a number of new core courses and a number of non-mainstream economics courses were introduced under the Ministry of Education (MoE) standards. The new curriculum was analyzed by Department's IS Dr. Charles Becker and he indicated that the curriculum contains a number of courses that are of no or little benefit to the students. He suggested introducing a number of alternative economics courses, especially in the area of applied econometrics, to enhance student learning in the area and to follow the standards of leading economics schools.

Performance in 2010-2011:

In March 2010, the Economics Department received accreditation from the Bard College, USA. Currently, AUCA and Bard College are jointly working on harmonization of curricula and requirements; and among the first efforts AUCA is introducing a compulsory thesis defense and introduction writing component into the curriculum of all the degree programs. Under these efforts, the Economics Department is revising all syllabi for introductory and advanced courses and introducing additional written assignments to help students to develop their writing and analytical skills. All the returning scholars of the Department are currently supervising thesis papers of senior students.

In the current 2010-2011 academic year, the changes included: introduction of new courses and revision of current courses.

Newly introduced courses are:

- World Economic Geography, by Tolkunbek Abdygulov, RS
- Statistics, by Aibek Kadyraliev, RS

Number of courses have been revised and significantly modified:

- History of Economic Thought, by Tolkunbek Abdygulov, RS
- Economic History, by Rahat Sabyrbekov, RS. Prof. Becker, IS and his graduate student Ganna Tkachenko are working on further revision of Rahat' syllabus.
- Intermediate Microeconomics, by Aibek Kadyraliev, RS

To promote excellence in teaching and to achieve learning goals faculty of the Department introduced new teaching techniques, such as e-courses by Rahat Sabyrbekov and Asel Kyrgyzbaeva. Moreover, Rahat Sabyrbekov and Asel Kyrgyzbaeva organized an Economics Debate Club in Spring semester 2011 within Introductory Macroeconomics course to promote

analytical skills of students. The Economics Debate Club meets on biweekly basis and discusses macroeconomics topic that are of students' interest.

Plans for 2011-2012:

In the upcoming 2011-2012 academic year, the Department will continue its improvement efforts through introduction of new courses and promoting excellence in teaching. Following curriculum examination of Dr. Charles Becker, IS, the Department decided to develop an alternative curriculum with a plan to approach MoE on change in curriculum.

A number of courses are planned to be further revised. In particular, Nurbek is going to substantially revise Statistics for Economists with Computer Applications course by moving from the use of E-views software to Matlab or Gauss. This will enable students to gain deeper understanding of how statistical analysis works. Asel Kyrgyzbaeva, will work on development of new core courses to be introduced within the new curriculum – Labor Economics, and Taxes and Taxation.

Aidai Kurmanova started teaching on part-time basis in Spring semester of 2011 and Department is planning to hire her full-time starting Fall 2011. She will offer courses on International Economics and Statistics.

Extracurricular activities – Performance in 2010-2011 Academic Year

Conference

As a part of DDP 2010-2011 our department in cooperation with the Ministry of Economic Regulation (MER) and GIZ Program “Promotion of sustainable economic growth” organized the inter-university economic student conference “Competitiveness of Kyrgyz Economy – key to future prosperity of the country”.

The contest for the best papers was widely announced in the media as well as on websites of the MER and AUCA. The special Evaluation Committee included Nurbek Jenish as a chair, IS Dr. Charles Becker from Duke University and Dr. Kudabaev nominated the final winners. All AFP scholars were engaged in the organization of the conference with Rahat Sabyrbekov as Coordinator. Non-AFP staff of Economics Department was also engaged in organization of the

conference. The conference proved to be successful event and attracted the best economics students from leading universities of Kyrgyzstan.

In 2011-2012, our department will build on the success of the previous conference and will broaden its scope and scale. It is planned that the student economic conference will become national event and will attract students from all over the country. The best papers will be published in a special edition of Academic Review, *AUCA Magazine*. The main goal of the economic conference is to build a center for excellence based at the Economics Department of the AUCA.

Website of the department

As a part of a wider university reform in April-May 2011, Economics Department will obtain its own Content Management System (CMS). This will enable to create new pages and manage the content of the website by the Department.

It is planned that the new website of the department will have additional pages containing detailed profiles of instructors, special events announcements, research publications, links to useful websites, list of e-course, timetables and other useful information. The overall objective of the new website of the department is to streamline the department-student relationship, and effective communication with external partners.

Institutional Partnership

The AFP has resulted in a close working relationship between the RSs and the IS, Dr. Charles Becker. This relationship has resulted in the Department working towards tailoring its curriculum to address issues within the Kyrgyz Republic and Central Asia in general. Specifically, the relationship is resulting in addressing economic development with a focus on agricultural and natural resource economics. Such an emphasis will require further curriculum revision through cooperation with the IS and AFP. This will also require additional resources with the AFP as one possible source through a Departmental Development Plan.

The IS also participated in reviewing a draft of the university's Peer Review Document. This resulted in a number of suggestions including a whole class evaluation of the course and

instructor. In addition, the IS peer reviewed five courses and provided detailed reviews of course syllabi taught within the department

In addition to AFP activities, the Department continues its policy aimed at promoting partnerships with academic institutions (both local and international), research agencies, public and non-governmental organizations. The purpose of collaboration is to polish academic excellence, keep in track with recent economic and social developments, improve teaching, and provide networking opportunities to students.

The department has built close relationships with the key organizations in charge of formulation and implementation of economic policy – Economy and Strategic Development division of the Prime-Minister’s office, Ministry of Economic Regulation of the Kyrgyz Republic, and the Institute of Economy of the National Academy of Sciences. The cooperation focused on three main dimensions. The first dimension is curriculum improvement. Here, faculty members in close collaboration with experts are working on improving the content of existing courses and developing new courses in order to combine the theories with the practical skills. The fruitful cooperation resulted in the development and introduction of the Economy of Kyrgyzstan and Agricultural Economics courses at the department. It is expected that these courses will be jointly taught by the experts from the Prime-Minister’s office, Ministry of Economic Regulation of the Kyrgyz Republic and Institute of Economy, and AUCA faculty members.

The second dimension is helping students to learn how their theoretical knowledge might be used in practice. Under this dimension, the Department in close cooperation with the Ministry of Economic Regulation of the Kyrgyz Republic has developed the pilot internship project for the best senior students. The students were able to have non-paid internship at the Ministry for the three month period. The selection criteria for participation were good GPA and formal application for participation. During the Fall 2011 term, seven top students from the Department were able to intern at the various departments of the ministry. The pilot project was very successful. All participants were able to gain practical experience in the field. Next year Department is planning to formalize the relationship between the Ministry and the Department by signing the Memorandum of cooperation, which will make the internship project constant and available for more students.

The third dimension is research. Under this direction the Department jointly with the researchers of the Economy Institute of the National Academy of Sciences from February 2011 is conducting research on “Impact of the world economic crisis on the economy of Kyrgyzstan”, which is to be completed by the November 2011.

The department has also established a close cooperation with the representations of international financial institutions. Currently, the Department is collaborating with: 1) GIZ (German Agency for International Cooperation), 2) DFID (UK Department of Foreign Investment and Development), and the IMF (International Monetary Fund). There are two main directions in our cooperation with abovementioned organizations. First is research. Currently, Abdygulov and Kadyraliev under the DFID project are working on the development of a new scheme for the government to finance R&D through outsourcing research projects to universities and private institutions. It is expected that work will be completed by November 2011 and as a result Government will receive a draft manual how to outsource research projects to universities and private institutions for consideration and approval. The second direction consists of public lectures at AUCA. A series of guest lectures and workshops has been conducted during the Academic year 2010-2011. Last year, the Department came to agreement with the IMF resident mission to organize a series of lectures on macroeconomic policy coordination issues. This academic year, the head of the IMF resident mission delivered lecture on the “Consequences of the financial crises and forecasts on economic development for the Kyrgyz Republic in 2011-2013.” The GIZ economic experts have continued the series of lectures started in academic year 2009-2010 on the “Essence and perspectives of the social economics”.

Continuous efforts are directed toward establishing working relationships with departments in international universities. As a result, in 2009 the department signed Memorandum of Understanding with University of Georgia, USA. In addition, the department has been negotiating with Department of Economics of Technical University of Dresden, Germany to establish an academic cooperation between the universities.

Another dimension of the department’s partnership is participation in the work of the “Economists’ club” which is a discussion club where famous Kyrgyz economists present and discuss their views on development and prospects of the economy of the Kyrgyz Republic. Faculty members regularly and actively participate in these meetings by delivering presentations on their current research. T. Abdygulov delivered a presentation on “Institutional development

aspects in Kyrgyz Republic” in October, 2010. It is scheduled that A. Kadyraliev will make a presentation on “How effective was coordination of macroeconomic policy during world financial crisis in 2008-2009 in Kyrgyz Republic” in May 2011.

Conclusion

The major challenges faced by the department in 2010-2011 academic year have been the lack of well-educated full time faculty and the need to streamline the curriculum. These, together with some other challenges, made the fulfillment of some planned activities more difficult. However, the Department and its faculty made a good progress. In particular, the department offered new mainstream economic course and continues to further revise and polish existing courses. The faculty (RSs) has progressed with their PhD studies by passing qualification exams and finishing some chapters of their dissertations. Moreover, all of RSs are planning to apply for Professional Development Fund to further streamline their courses and/or receive expert advice from professors from leading international universities. Overall, the Department has accomplished most of the goals outlined in the last year’s DDP. Our department looks forward to a more effective year of cooperation with AFP program that will help bring closer Economics department to the fulfillment of its goals, both short and long term.