

## **Fed Challenge Fact Sheet-BOR April 22, 2016**

**What:** A student-team competition is conducted at several regional Federal Reserve districts around the country, with winners from each district advancing to the national competition at the Board of Governors of the Federal Reserve in Washington, DC. College teams of five students each develop a 15 minute presentation usually in the form of a mock Federal Open Market Monetary Policy Meeting. Data must be collected, analyzed, and incorporated into a PowerPoint presentation to assess the current performance of the U.S. economy, discuss the outlook for the future, and use this analysis to debate and recommend appropriate monetary policy actions to maximize U.S. economic performance. The team presentation is followed by a 15 minute Q&A on the presentation and other aspects of the Federal Reserve, monetary policy, and the economy not covered in the presentation. Economics staff from the Chicago Fed serve as judges at the district competition. At the national finals in Washington, one or more members of the Board of Governors are often present, with the most recent national winners having their picture taken with Fed Chair Janet Yellen.

**EMU Participation:** EMU participation in the Chicago district competition began in fall 2006 at the initiative of a student leader in the Economics Department who requested faculty support for a student team, and our participation has continued each year since for a ten year run. Competition consists of a morning round of four “divisions” of four or five teams each with the winner of each division advancing to the afternoon competition where the district champion is selected. In the ten years we have competed, we **advanced to the afternoon competition four times**. In these ten years, Northwestern University has been the district winner eight years and the national winner about half of those years. In at least two years when we did not make it to the afternoon competition, we were in the morning group that included Northwestern and they won our division.

**Benefits to Students:** Participation provides students with real-life experience in performing data collection, analysis, and debate about crucial issues that our leading national economists and policy makers face on a daily basis. The team focus of the competition provides unparalleled experience in working in a job-type setting, seeking to reach a consensus on action to be taken. While EMU’s “best and brightest” are recruited to compete in this competition, it is still amazing the difference this experience can make in graduate school and job placements. Half or more of the roughly 50 students who have participated in the competition have gone on to successful graduate study. From one year in particular, the five participants all entered graduate study including placements at Harvard Law, MSU Ph.D., NYU, Cambridge (England), and EMU.

**Challenges/Rewards:** Each year we canvas professors teaching macro and monetary courses in the department for students who have done well in their courses. Invariably, for every three or four students we contact we are lucky if we can find one to participate due to heavy time commitments to academics, jobs, and family responsibilities as our students work to put themselves through school. Even after recruiting a team, it is difficult to find common meeting times, as students rush from class to their part-time jobs at restaurants, gas stations, or banks. Along the same lines, EMU’s student body is comprised more of those who have not traditionally been granted equal opportunity to compete in many extracurricular activities. The first year we competed in Chicago, our team consisted of two women and an African American. Of the roughly one hundred students competing, we had the only African American and two of only about five women in the group.

**Thanks:** Support from the CAS Dean’s Student Travel Fund is greatly appreciated!!

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