

**2015-2016 Yearly Assessment Report
College of Arts and Sciences (CAS)
Department of Economics**

1. Identifying Information

Name of Program: Economics

Type of Program: Undergraduate Major and Minor

College of Arts and Sciences Division: Social Sciences

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2. Mission Statement:

Founded in 1855, the University of San Francisco has declared its commitment to the highest standards of learning in the American, Catholic, Jesuit tradition. Central to its mission of preparing leaders in service, the University seeks to offer quality education. It fosters close student-teacher relationships with a special concern for the holistic development of the student - intellectual, spiritual, moral, social, psychological, and physical. The University seeks to promote high standards of academic excellence to prepare leaders with not only the character that seeks to affect positive change, especially for the most needy, but the academic training necessary for recognizing and implementing effective action and policy.

Economics has developed a rigorous set of analytical and empirical tools for understanding human behavior as it plays out in everyday life, business, politics, and international issues. Our discipline has devoted itself to understanding how to better use society's scarce resources, how technology and markets have improved our standard of living, why unemployment, inequality, and poverty can exist in the midst of plenty, and many other pressing questions related to both domestic and international issues.

The Economics Department at the University of San Francisco offers undergraduate and graduate programs that train our students in the analytical framework of economics to help our students engage a wide array of micro and macroeconomic issues. Our department's perspective is international and reflects the background of our faculty, and our core strengths lie in the areas of international and development economics. Our undergraduate program provides students with the ability to focus their studies in international economics, development economics, and financial economics. We also have two outstanding masters programs: a Masters of Arts in Economics and a Masters of Science in International and Development Economics, with curricula structured to produce students with excellent empirical and analytical skills along with the ability to apply them to practical problems.

With a particular focus on international issues of globalization and poverty, the mission of our department is to equip undergraduate and graduate students with the character and rigorous intellectual foundation in economics to help our students foster a more just and humane world and to carry out a research agenda that contributes at the highest levels to micro and macroeconomic issues related to poverty, economic growth, and globalization.

In carrying out this mission our faculty seeks to embody core Jesuit values of perseverance, cooperation, communication, and concern for the welfare of one another and the common good. We

have day-long retreats at least once a year to talk through issues out and arrive at a consensus on the directions the department should take. We are a department where everyone's opinion is solicited, listened to, and valued. We have faculty who are excited about their research, their teaching, and their academic programs. The results have been significant growth in the quantity and quality of our academic publications, growth in the number of undergraduate and graduate students, and economics programs that are relevant, attract the interests of students, and fulfill the University's mission to train graduates to help address critical world issues.

Has this statement been revised in the last few years? Yes.

3. Program Goals:

See Appendix A.

Have these goals been revised in the last few years? No.

4. Program Learning Outcomes (PLOs)

See Appendix A.

Have these PLOs been revised in the last few years? No.

5. Brief Summary of Most Recent Assessment Plan

The three-year assessment plan (2016-2019) focuses on systematic evaluation of student competency and progress in the three core areas of the undergraduate program: microeconomics, macroeconomics, and quantitative methods. The highly structured nature of the curriculum, in which subject matter knowledge and analytical skills are built up over the course sequences, lends itself to using direct measures of learning outcomes through embedded exam questions. Using the same questions at the introductory (100-level) and intermediate (300-level) allows for monitoring of students' learning as they progress through the program.

1. Microeconomics: An identical assessment question (see Appendix C) will be embedded in the final exams for all sections of Economics 111 and 311. This multipart question will measure the following learning outcomes: 1(ii), 2(i), 2(ii), 2(iv), and 2(v). The results will be tabulated and presented in the annual assessment report.
2. Macroeconomics: An identical assessment question (see Appendix C) will be embedded in the final exams for all sections of Economics 112 and 312. This multipart question will measure the following learning outcomes: 1(ii), 1(iii), 2(iii), 2(v), and 3(iii). The results will be tabulated and presented in the annual assessment report.
3. Quantitative Methods: An identical assessment question (forthcoming) will be embedded in the final exams for all sections of Economics 120 and 320. This multipart question will measure the following learning outcomes: 1(iv), 2(iv), 2(v), and 2(vi). The results will be tabulated and presented in the annual assessment report.

6. Academic Program Review

Date of most recent Academic Program Review's External Reviewer Visit: April 2015

Date of most recent Action Plan Meeting: March 24, 2016

Brief Summary of the most recent Action Plan: See Appendix B.

7. Methods

As per the Assessment Plan described above, assessment questions were embedded in the final exams of all introductory (Principles) and intermediate theory courses, and the results tabulated.

8. Results

See Tables 1-4.

Table 1
Microeconomics Embedded Assessment Question Results
Fall 2015

	Econ 101	Econ 111	Econ 311
Sections Offered	3 (all reporting)	4 (2 reporting)	1
Total Enrollment	187 (167 reporting)	165 (75 reporting)	32 (26 reporting)
Percent of Students with score >90%	23%	24%	42%
Percent of Students with score >70%	70%	52%	85%
Mean Score	76%	70%	81%

Table 2
Microeconomics Embedded Assessment Question Results
Spring 2016

	Econ 111	Econ 311
Sections Offered	8 (all reporting)	1
Total Enrollment	282 (263 reporting)	24 (16 reporting)
Percent of Students with score >90%	34%	19%
Percent of Students with score >70%	76%	69%
Mean Score	80%	70%

Table 3
Macroeconomics Embedded Assessment Question Results
Fall 2015

	Econ 102	Econ 112	Econ 312
Sections Offered	3 (2 reporting)	5 (3 reporting)	1
Total Enrollment	155 (96 reporting)	191 (111 reporting)	38
Percent of Students with score >90%	14%	33%	37%
Percent of Students with score >70%	58%	66%	100%
Mean Score	70%	74%	NA

Table 4
Macroeconomics Embedded Assessment Question Results
Spring 2016

	Econ 112	Econ 312
Sections Offered	7 (5 reporting)	2 (all reporting)
Total Enrollment	275 (165 reporting)	84 (80 reporting)
Percent of Students with score >90%	23%	48%
Percent of Students with score >70%	67%	83%
Mean Score	74%	NA

Consistent with past trends, Principles of Economics students, a large percentage of whom are taking the courses to fulfill their School of Management Economics requirement, are averaging scores in the 70-80% range on these embedded assessment questions, with $\frac{1}{4}$ - $\frac{1}{3}$ of the students scoring above 90%. At the intermediate level, where the sample consists almost exclusively of Economics majors and minors, mean scores increase to over 80%, with 40-50% of students scoring above 90%. (The exception to this trend is the Spring 2016 section of Economics 311.)

9. Closing the Loop

With the objectives of improving student learning in the Principles courses, we are currently in discussion with the School of Management and our own College regarding a curricular change which would significantly restructure the way in which we offer these foundational courses. Specifically, we are proposing that the Economics Department offer a single 4-unit economics Principles of Economics class supplemented with a 2-hour TA-led discussion section that would take the place of Economics 111-112 both for our majors and for students in the School of Management. This would have the advantage of consolidating the most important introductory material from both Microeconomics and Macroeconomics in a semester-long course, with greater opportunity for hands-on learning in the required TA sections. Once the relevant approvals are obtained, we plan to pilot this course in the Spring of 2017, building in assessment methodology to inform the development of the final curriculum.

Appendix A
Economics Undergraduate Program Goals and Learning Outcomes

Program Goals	Associated Learning Outcomes
1. Understand economic terminology and the fundamental theoretical approaches of the discipline.	
	i. Define the role of benefits and costs in the allocation of scarce economic resources.
	ii. Describe the interaction of demand and supply in a market for an economic good or service.
	iii. Define the nature of aggregate economic relationships between major macroeconomic variables and decision-makers.
	iv. Describe a regression model of an economic theory and estimate the model using actual economic data.
2. Employ economic reasoning and theory to analyze the structure of economic events and problems.	
	ii. Analyze the impact of an external event on the market for an economic good or service in both the short run and the long run.
	iii. Discuss the impact of the competitive structure of an industry on important market variables in both the short run and long run.
	iv. Analyze the impact of an external event on the aggregate economy in the short run and long run.
	v. Use a simple algebraic economic model to formulate and investigate an economic problem.
	vi. Use a graphical economic model to formulate and investigate an economic problem.
	vii. Use an estimated economic model to test an economic theory.
3. Employ economic reasoning and theory to analyze important government policy responses and their impacts on the economy.	
	i. Analyze the impact of a government tax on the outcomes of a market for an economic good or service.
	ii. Discuss the problems that can arise as a result of an industry's competitive structure and how a government may respond.
	iii. Analyze the impacts of government fiscal and monetary on the aggregate economy in the both the short run and long run.
	iv. Apply economic analysis to problems that arise in other areas of economics and possible government policy options to these problems.

Appendix B
Economics Department Action Plan meeting
Thursday, March 24, 2016

As a follow-up to the Academic Program Review, and in particular to develop responses to the external reviewers' report, the Economics Department held an all-day retreat on October 9, 2015, with the goal of conducting a strategic planning exercise that could guide us going forward.

The principal decisions coming out of that retreat are as follows:

1. Undergraduate Program
 - a. Address overreliance on part-time instructors to teach (particularly lower level) undergraduate courses. This can be addressed to a certain extent by scheduling, but ultimately depends on successfully recruiting and hiring additional full-time faculty to be able to continue to meet teaching needs in graduate programs.
 - b. Ongoing discussion with School of Management regarding Econ course requirements for their students may provide opportunity to reduce/consolidate Principles sections.
 - c. Innovate curriculum with introduction of more 200-level courses open to non-majors and more diversified upper level electives.
 - d. Increase research opportunities for undergraduates by adding empirical components to upper level courses and hiring undergraduate RAs for faculty research projects.
 - e. Address challenges of cross-listed undergrad/grad classes by differentiating instruction (eg. Combined lectures/separate labs/discussion sections) and assessment criteria. Offer Econ 479 in alternating years as stand alone course.
 - f. Improve undergraduate advising/community by supporting Honors Society, career development events, and group study space.
2. MA-ECON Program
 - a. Strengthen empirical research components of Financial Econometrics and Advanced Topics in International Economics.
3. MS-IDEC Program
 - a. Increase Math Camp to 3 weeks, with last week devoted to introduction to STATA
 - b. Modify fieldwork requirement for utilizing secondary data for thesis. Alternatives include substantive internships related to research topics.
4. Priority resource needs
 - a. Full-time tenure track faculty line in International Macroeconomics
 - b. Graduate student financial aid
 - c. Department seminar budget
 - d. Grants administration support

Appendix C
Embedded Assessment Questions

1. Microeconomics

Ian offers his mowing services in the perfectly competitive lawn mowing industry. He has **fixed costs of \$7** per day (the cost of renting the mower), and variable costs as shown in the table below.
...table...

- a. What are Ian's total costs of production? Fill in the **Total Costs** column of the table.
- b. Calculate Ian's profit when the market price is \$8 per lawn and fill in the corresponding column of the table.
- c. Calculate Ian's average total costs, average variable costs, and marginal costs of production, and fill in the corresponding columns of the table.
- d. If the market price of mowing lawns is \$8 per lawn, how many lawns will Ian mow?
 $Q^* =$ _____
- e. At this price (\$8), what is his profit at this level of production? _____
- f. At this price (\$8), will he continue to mow lawns in the short run? _____
- g. Now calculate Ian's profit when the market price is \$3.60 per lawn and fill in the corresponding column of the table.
- h. If the market price of mowing lawns is \$3.60 per lawn, how many lawns will Ian mow?

- i. At this price (\$3.60), what is his profit at this level of production? _____
- j. At this price (\$3.60), will he continue to mow lawns in the short run? _____
- k. Graph the ATC, AVC, and MC curves on the following figure.
...graph...
- l. On the graph above, show Ian's profit maximizing level of production and profit when the market price is \$8.
- m. At what price will Ian just break even? _____
- n. At what range of prices for lawn mowing will Ian earn a loss but continue to produce in the short run?
- o. At what range of prices for lawn mowing will Ian shut down his lawn mowing service in the short run? _____
- p. Identify Ian's short-run individual supply curve on the graph.
- q. Starting with a market equilibrium price of \$8.00, explain what will happen in the long run in this market? Be as specific as possible.
- r. Explain, using the concepts of the production function and average total costs, the long run impact of adopting new technology that increases the marginal product of labor. (you don't have to show the graph, just explain)

2. Macroeconomics

Aggregate Supply, Aggregate Demand, and Long Run Equilibrium

- A.) (5 pts) using the AD-AS Model, please show the economy in Short Run equilibrium (actual GDP) and Long Run Equilibrium (potential GDP). Use a graph, label all curves and axes. (assume there is no gap)
- B.) (2 pts) List at least four events that impact AD (i.e. cause AD to shift to either left or right).
- C.) (2 pts) List four events that impact the position of short run AS.
- D.) (6 pts) Redraw the graph from part (a) on the axes below. Then choose an event that would cause AD to shift to the left and show in a graph what happens in the Short run and then on the same graph how the economy adjusts in the Long Run (i.e. self corrects) if there is no government intervention.
- E.) (5 pts) List three specific policies (fiscal and monetary) that the government could use to help overcome a recession. Then choose one and explain with a graph.

