

El Camino College
Behavioral and Social Sciences Division

ECONOMICS

Instructional Program Review

2008-2009

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I. OVERVIEW

A. PROGRAM PROFILE

The Economics Department is one of the programs in the Behavioral and Social Sciences Division at El Camino College. Economics is the study of human behavior when confronted by scarcity. Questions regarding what goods and services to produce, how goods and services are produced, and how produced goods are distributed in society represent the kinds of questions dealt with in the economics discipline. In other words, economics explores how limited resources are allocated to satisfy unlimited human wants. The study of economics is essential for an understanding of our society as well as business. The study of economics utilizes historical data, theoretical models and empirical evidence to explain real-world behavior of individuals, firms and nations making production and consumption decisions.

Currently, the Department offers three courses: Principles of Economics: Macroeconomics, Principles of Economics: Microeconomics and a non-major's course, Fundamentals of Economics. In addition, the Department offers a course in Independent Studies, which explores advanced topics in Economics that are not provided as part of the regular departmental curriculum. These course offerings include both on-campus and online instruction taught by two full-time and five part-time faculty members.

The mission of the economics program at El Camino College is to offer a comprehensive economics program designed to meet the needs of the students to continue their educational goals at the community college. The responsibilities of the Department are to offer courses in economics that will: (1) prepare students to transfer to four-year institutions and (2) provide courses that enable students to understand the economic forces of an economy.

An understanding of Economics enables students to think critically, analyze complex social and economic problems, and seek effective solutions to real world problems. Economics provides a foundation of knowledge useful in the pursuit of various academic and professional endeavors. Both employers and graduate programs often seek candidates with a background in Economics.

The Economics major prepares students for career opportunities in fields such as business management, international business, finance, law, government, and education. In order to receive an A.A. degree in Economics, students are required to complete the core Principles of Economics courses, a Reading and Composition course (English 1A), two Calculus courses, and two additional courses (History 1A, 1B, 3, 4 or Political Science 1) for a total of 23 to 25 units.

The Principles of Economics: Macroeconomics (ECON 1) and Principles of Economics: Microeconomics (ECON 2) courses comprise a standard two-semester core general education offering taught throughout the country. These are required courses for those majoring in Economics and Business. Additionally, these are recommended courses for other social science majors, science majors, engineering majors and law students. The goal of ECON 1 is to give students an understanding of the economy as a whole. The goal of ECON 2 is largely to provide students with an understanding of the economic behavior of individual consumers and producers.

The Fundamental of Economics is a one-semester general survey course in economics, which covers selected topics from both the microeconomic and macroeconomic fields. It is designed for those that do not major in economics or business, but desire some understanding of economics, without the mathematical rigor of the Principles of Economics courses. Students from many different fields of study, as well as those who have yet to declare a major, enroll in this course in order to satisfy General Education requirements. Students are often recruited to the Economics major after discovering the “economic way of thinking” in the Fundamentals of Economics course.

The Independent Studies course is limited to students that have completed both Introductory Macroeconomics and Introductory Microeconomics with a grade of B or higher.

The students enrolled in the Principles of Economics courses and the Fundamental of Economics largely reflect the same characteristics of the student body of El Camino College. There is a large diversity of students with varying degrees of academic ability and college preparation.

B. STATUS OF PREVIOUS RECOMMENDATIONS

Several recommendations were made in the 1999 Program Review. Listed below are these recommendations and their current status:

(1) “The order of the teaching of Microeconomics and Macroeconomics needs to be reconsidered.”

The department experimented with the order of teaching the two courses offered in the Principles of Economics series, but decided that the current order (Introductory Macroeconomics first, followed by Introductory Microeconomics) is a more effective way to introduce students to the Principles of Economics.

(2) “The required and recommended prerequisites also need to be reconsidered.”

The department currently requires that students pass Introductory Macroeconomics, with a C or better grade prior to enrolling in Introductory Microeconomics. In addition, beginning with the Fall 2009 semester, the department will require students to have completed Math 73 or Math 80 (Intermediate Algebra) or an equivalent course with a passing grade prior to enrolling in Introductory Macroeconomics. This change is necessary to be in compliance with the transfer requirements of California State University at Long Beach, where many of our El Camino College students ultimately matriculate and continue their educational careers.

(3) “The Department should seek a reduction of class size as a means to improve instruction and reduce the drop out rate.”

Smaller class sizes likely do enhance learning and better allow for a wider range of classroom activities beyond simply lecturing. Limiting enrollment to less than 44 in each course would foster a better learning environment for those students already enrolled in the sections of economics courses offered. However, determining appropriate class sizes is not the purview of the Economics Department alone. Rather it is a concern of the administration and the faculty campus-wide. (The Economics Department is unaware of any campus plans to revisit the issue of optimal class sizes in the near future.)

(4) “We need to consider the introduction of two separate courses: International Trade and Finance and International Political Economy.”

The department is currently developing a separate course on Global Economics to address the increased interest in this area by students and to expand El Camino College’s International Education Program.

(5) “We should explore the possibility of members of the Economics faculty team teaching with other social science teachers.”

Currently, the economics faculty has no interest in team teaching with other members of the Behavioral and Social Sciences. The team teaching approach to providing education in the various disciplines in the Behavioral and Social Sciences has lost its supporters over the last decade.

(6) “Reports have indicated the administration has or is still considering a proposal to transfer the Economics Department to the Business Division..... It should not be considered.”

The economics faculty, here and at most institutions of higher learning, believe that economics is clearly a social science and does not belong in the Business Division. The Economics faculty would strongly oppose any change in our classification. Economics, as a discipline, has a primary objective of providing an alternative and analytical viewpoint of the social issues of any society (past, present or future). This viewpoint is an integral part of the Social Sciences, with its emphasis on **human behavior** when confronted by scarcity.

(7) “The department along with other faculty in the Division of Social Science needs to meet to develop means to improve the cleanliness of the building.”

Overall, the facilities have improved. However, El Camino College has drawn up plans to completely gut the interior of the building and rearrange the rooms at an enormous cost in time and money. The current arrangement of the rooms and the facilities are regarded by many in the Social Science faculty to be superior to the publicized architectural plans. Some among the Social Science faculty question whether the present remodeling plan will hamper instruction rather than enhance it. Perhaps improvements could be accomplished with only minimal tweaking, at much less expense to taxpayers and inconvenience to the students, staff and faculty. In these difficult economic times, perhaps taxpayer funds would be better spent on other projects that could enhance student learning.

C. EDUCATIONAL OFFERINGS

The following courses are offered by the Economics Department:

ECON 1 Principles of Economics: Macroeconomics

ECON 2 Principles of Economics: Microeconomics

ECON 5 Fundamentals of Economics

II. PROGRAM DATA

A. STUDENT/CLIENT SATISFACTION

No recent department-sponsored surveys of students enrolled in economics courses were conducted.

B. STUDENT/CLIENT OUTCOME DATA

DEMAND (FTES) / # OF STUDENTS:

Course	Term 1 Fall 2007	Term 2 Spring 2008	Term 3 Fall 2008	Term 4 Spring 2009
<u>ECON 1</u>				
SECTIONS	14	11	13	11
FTES	62.77	50.03	59.97	55.09
STUDENTS	590	471	564	518
<u>ECON 2</u>				
SECTIONS	5	6	4	5
FTES	19.05	25.38	17.15	23.79
STUDENTS	179	239	161	224
<u>ECON 5</u>				
SECTIONS	2	3	2	3
FTES	7.43	11.47	9.88	12.32
STUDENTS	70	108	93	116
<u>Dept. Total</u>				
FTES	89.25	86.88	86.99	91.19
STUDENTS	839	818	818	858

The data from Fall 2007 to Fall 2008 may suggest a downward direction of enrollment, but the data is misleading. Currently, the department offers more courses during the Winter and Summer Sessions, which affect enrollment in the following Spring and Fall Sessions. Spring 2009 FTES numbers are clearly higher, reflecting the overall upward trend in enrollment at El Camino College for this same period. Total yearly enrollment figures over the last several years reflect higher enrollment for the program. Total enrollment has increased from a 2037 seat count in academic year 2003-2004 to a 3010 seat count in academic year 2006-2007.

RETENTION:

Term:	Fall 2004	Fall 2005	Fall 2006	Fall 2007
Retention rates by course:				
ECON 1	77.0%	75.5%	74.7%	74.3%
ECON 2	86.5%	82.9%	81.0%	88.0%
ECON 5	82.4%	57.7%	83.6%	82.9%
Dept. Total	79.8%	75.1%	76.8%	78.1%
Division Total	81.3%	79.0%	78.1%	78.8%
College Total	80.3%	77.7%	77.6%	77.3%

FROM 2004 TO 2007 retention rates for economics 1 has steadily fallen from 77% to 74.3%, paralleling the downward trend in retention at the college overall.

FROM 2004 TO 2006 retention rates for economics 2 fell from 86.5% to 81%, but rose to 88% in 2007

FROM 2004 TO 2005 retention rates for economics 5 fell from 82.4% to 57.7% (largely reflecting the loss of students in the Thursday night section) but rose to 83.6% in 2006 and fell to 82.9% in 2006

The data seems to fall in the range that is typical for departments throughout the campus. There do not appear to be significant changes that warrant a reconsideration of the program offerings at this time.

SUCCESS RATE:

Term:	Fall 2004	Fall 2005	Fall 2006	Fall 2007
Success rates by course:				
ECON 1	60.1%	59.9%	56.1%	54.7%
ECON 2	83.4%	79.0%	74.8%	80.4%
ECON 5	63.7%	47.1%	62.7%	62.9%
Dept. Total	66.0%	62.8%	61.0%	61.3%
Division Total	63.7%	62%	59.8%	61.0%
College Total	65.4%	63.3%	62.8%	62.8%

The success rate for Economics 1 has declined from 2004 to 2007 from 60% to 54% with a general rise in withdrawals. The department feels these trends should have been anticipated as more under-prepared students attempt to study economics. However, with the new requirement for enrolling in Economics 1 (Math 73 or Math 80), the success rate in Economics 1 is expected to rise in the coming years.

The success rate for Economics 2 has been consistently 75% or higher over the time surveyed. The department feels this is a result of limiting enrollment in these courses to students that have completed Economics 1 with a grade C or better.

The success rate for Economics 5 has consistently been around 63% which is similar to the success rate for courses in the Behavioral and Social Sciences Division and the other divisions on campus.

PROGRAM DATA RECOMMENDATIONS:

The program data seems to fall in the range that is typical for departments throughout the campus. There do not appear to be any worrisome trends warranting significant changes in program offerings. However, because of the lower retention rate in the Thursday night ECON 5 section during some semesters, the department will experiment with substituting a Thursday night ECON 1 section in place of ECON 5 beginning during the Fall 2009 term. Since there is a greater demand for ECON 1 sections in the department, this change may serve a greater number of students, particularly those who work full-time during daytime hours.

With the inclusions of a new mathematics requirement for enrollment in the Principles of Economics, the department expects a decline in enrollment, but possibly higher retention rates and success rates in future semesters as a result of this change in prerequisites.

III. CURRICULUM

Courses that have not been reviewed in 5 - 7 years:

Economics 1 Principles of Economics: Macroeconomics (last updated: April 2009)

Review was submitted to the Division Curriculum Committee and approved by the College Curriculum Committee in Spring 2009.

Economics 2 Principles of Economics: Microeconomics (last updated: 1999)

Review will be submitted to the Division and College Curriculum Committee in June 2009.

Economics 5 Fundamentals of Economics (last updated: February 2004)

In development. Review will be completed and submitted to the Division Curriculum Committee during the 2009 - 2010 academic year.

CURRICULUM RECOMMENDATIONS:

Courses that are expected to be added to the Economics Department offerings in the near future:

Global Economics

Global Economics would likely attract many students interested in International Studies, particularly International Business students. The course would encompass many topics in the fields of International Trade and International Finance (including specialization and gains from trade, “free” trade vs. “fair” trade, protectionist policies, exchange rates, international trade treaties and institutions, job outsourcing and globalization) in a greater depth than is possible in current course offerings.

IV. STUDENT LEARNING OUTCOMES

SLO PROGRESS

(1) COURSES

Economics 1 Principles of Economics: Macroeconomics

Proposed SLO statement:

Using a clearly labeled Aggregate Demand/Aggregate Supply diagram, explain and illustrate the impact on Real Gross Domestic Product, unemployment and the price level of an increase in government spending in an economy currently experiencing an economic recession.

Assessment: Spring 2009 Complete Course Level Report: Fall 2009

Economics 2 Principles of Economics: Microeconomics

Proposed SLO statement:

Using a clearly labeled Demand/Supply diagram, explain and illustrate the impact of an increase in demand on the equilibrium price and equilibrium quantity in a market.

Assessment: Fall 2009 Complete Course Level Report: Spring 2010

Economics 5

Proposed SLO statements:

(1) Using a clearly labeled Aggregate Demand/Aggregate Supply diagram, explain and illustrate the impact on Real Gross Domestic Product, unemployment and the price level of an increase in government spending in an economy currently experiencing an economic recession.

(2) Using a clearly labeled Demand/Supply diagram, explain and illustrate the impact of an increase in demand on the equilibrium price and equilibrium quantity in a market.

Assessment: Fall 2009 Complete Course Level Report: Spring 2010

(2) PROGRAM LEVEL

Proposed SLO statement:

Upon successful completion of the Economics major, students will be able to:
Using tools of economic analysis, write an essay describing how resources are allocated and prices are determined in a market economy.

Assessment: Spring 2010

Complete Program Level Report: Fall 2010

V. FACILITIES AND EQUIPMENT:

In general the facilities, equipment and supplies are adequate to meet the needs of the department, but could be made more effective with better maintenance of the facilities. Spending large amounts of financial resources on reconstruction of the facilities, without addressing the cause of the breakdown of facilities is a large waste of those financial resources. The department recommends possibly upgrading the rooms to include more multi-media devices, without reconstruction of the building. In lieu of that, the department recommends no change, especially reconstruction of the entire building.

VI. STAFFING:

The current staff consists of two full-time tenured faculty members and five part-time adjunct faculty members (including one faculty member who teaches only Distance Education courses). The department considers this number to be adequate to meet the needs of the department at this time and recommend no change in the number of faculty members or the ratio of full-time faculty members to part-time faculty members.

SPRING 2009 FULL-TIME FACULTY FTES: 52.69
(2 FACULTY MEMBERS)

SPRING 2009 PART-TIME FACULTY FTES: 38.51
(4 FACULTY MEMBERS)

Each faculty member is encouraged attend Economic Association Meetings and read the current literature on economics and economic issues.

VII. PLANNING:

The basic principles of economics have not and will not change. However, greater refinement and understanding of those principles is on-going. As those refinements occur, they are included in the economics courses. As an example, is the inclusion of the economics of information, especially the analysis of decision making with imperfect information. These inclusions are universal to the discipline and consequently assure that the students that transfer are better prepared and have a better understanding of the economic forces of an economy.

As indicated earlier in this report, the department intends to address the growing demand for studies with an international focus in our increasingly globalized economy by developing a Global Economics course.

CONCLUSION/SUMMARY

The Economics program serves El Camino college students by teaching the tools necessary to apply economic reasoning to real-world decision-making and enabling students to complete macroeconomic and microeconomic general education requirements transferable to a 4-year academic institution. In 5 years, the economics department hopes to expand course offerings to better address the educational needs of students competing for jobs in an increasingly globalized world. Recognizing that students learn in different ways, the goal of the economics department is to better integrate modern technologies to enhance and vary classroom instruction.

The prioritized recommendations for maintaining and enhancing the quality and rigor of the economics program are as follows:

- (1) The addition of a new course, tentatively titled Global Economics, covering various international trade and global finance topics.
- (2) The acquisition of additional smart classroom equipment for use in more of our classrooms.
- (3) The acquisition of classroom “clickers” for use during class sessions.
- (4) When it is warranted by growth in enrollment, the addition of a new full-time Economics instructor.

The estimated cost of a “smart” classroom cart is \$15,000 each. Clickers can cost from \$10 to \$40 per student (\$440 to \$1760 per classroom). The estimated cost of hiring a new full-time faculty member to teach Economics is \$90,000.

The Economics department success in meeting the needs of its students will be evaluated by monitoring enrollment numbers, retention rates, transfer rates, and assessing course-level and program-level student learning outcomes in the years to come.