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# ECONOMICS DEPARTMENT ANNUAL ASSESSMENT PLAN

April, 2002

## The Department's Mission Statement and Principal Goals

The Department's Mission Statement, adopted in 1989 and reaffirmed by present members of the Economics Department, is as follows:

*Our mission is to engage ourselves in a process of learning involving our students, our professional peers, and members of other communities, which is intended to result in economic literacy, independent thinking, a commitment to lifelong learning and a socially responsible life.*

### Goal: Economic Literacy

We believe that the goal of economic literacy is assessable and have divided the concept into three measurable objectives: (1) understanding the three dominating schools of contemporary economic thought; (2) understanding global economic issues; and (3) analyzing media content. Each of the courses offered by the department addresses these objectives of economic literacy on one or more levels. Indeed, the structure of our major, which we describe below, embodies completely the goal of literacy for our majors as we have just defined it. Therefore, we achieve some part of that goal every time one of majors finishes the program.

Our achievement of this goal of economic literacy is shaped, of course, by the structure and substance of our major. Thus, before we take up the three measurable objectives, we will describe the requirements of our major.

In the most general sense, the major consists of an economics principles course, three intermediate theory courses (defined below), plus two 300 level courses and at least two other economics courses at any level. Majors must also take courses in statistics and calculus to enable them to learn and to apply quantitative methods of economic analysis. Students are expected, upon successful completion of the major, to have gained in economic literacy at many levels.

The foundation of our major is Economic Principles, a course that introduces students to economic history and varieties of economic thought, focuses attention on the dominant tools and analysis of modern economic theory, and integrates all this with ongoing consideration of economic policy. It is designed to introduce (mostly) freshmen and sophomores to a variety of often competing economic perspectives, using academic texts, newspapers, magazines, and films to accomplish the task. The course also requires students to put their study of economic concepts into a historical context that complements the other materials. Exams and written work in the

course, along with a required film series, provide the ongoing encouragement to students to relate what they are learning about analysis and history to current economic issues. In short, the students' achievement of knowledge and comprehension of contemporary economic events is the central objective of the course. This broad mix of topics is mirrored in our other course offerings generally because we believe that all these elements are necessary ingredients to a proper discussion of economic issues

All economics majors must also take the Intermediate Theory sequence in economics, which include intermediate macroeconomics, intermediate microeconomics and intermediate political economy. Intermediate microeconomics and Intermediate macroeconomics (micro and macro, in abbreviated form) are the two principal branches of the "neoclassical" (sometimes called "mainstream") view that dominates contemporary academic economics, while Intermediate Political Economy which focuses on the kind of political economy that emerged principally in the work of Karl Marx and Thorstein Veblen.

Intermediate Microeconomics studies how decision makers such as firms, consumers, and governments make choices under constraints and, in turn, how these decisions affect the markets for goods and services. A fundamental objective of ECON 256 is that students learn how markets perform the functions of allocation and distribution and why market outcomes may not be socially desirable. Applications of microeconomic theory serve as a basis for evaluating international trade and domestic public policy. The centrality of this lexicon in economic affairs is exemplified by the fact that management majors (annually, the equivalent of about three or four sections of them) are required to enroll in Intermediate Microeconomics.

Intermediate Macroeconomics involves the study of a nation's income, employment, rate of economic growth, inflation rate, and interest rates. Special attention is given to the ability of government monetary and fiscal policies to affect these variables. Contrasting the short-term and long-term responses of an economy to an event or action remains a staple in macroeconomics. In recent decades, emphasis has been placed on decisions by forward-looking individuals and firms, which has introduced some intriguing dynamics into models of market economies. Complete macroeconomic models also account for international trade and financial flows, and foreign exchange rates.

Intermediate Political Economy, while also concerned with such mainstream issues as resource allocation and the business cycle, significantly broadens students' economic literacy. In this course, students are introduced to topics such as unemployment and poverty, the environment, and race and gender economics. However, the perspective of ECON 258 differs from that of ECON 256 or 257, particularly in its development of a separate set of conceptual tools and methodologies and the essentially critical stance it takes regarding capitalist economic systems.

These four core courses allow the students to learn a broad range of economic concepts that prepare them for the 300 level courses which presume such knowledge. And, along with the four economic electives, the core courses enable the majors to combine economic literacy with a greater depth of understanding in the areas in which they focus their attention. Capstone courses provide opportunities for our majors to work in a seminar setting. There, with fewer students, and materials that are drawn from all the previous courses, our junior and senior majors are able

to experience working with economics at least to some degree in the way that professionals do. In these courses, the students are encouraged to synthesize what they have learned in pursuing their major and to evaluate their findings and those of others on the basis of sound research methodologies.

We offer a wide variety of economics electives at the 200 and 300 level, which all incorporate some level of application of economic theory to solving problems and evaluating domestic and international policies. These courses include, but are not limited to, Money and Banking, International Economics, Environmental Economics, African and Asian Economic Development, Public Economics, Political Economy of the Caribbean, European and American Economic History, Canadian-American Economic Relations, Law and Economics, Industrial Organization, Health Economics, Macroeconomic Policy, International Monetary and Financial Economics, and The Idea of Capitalism in Economic Thought. All of these classes in some way ask students to think critically about how to use what they have learned about economic theory and how to apply these tools to answering questions in contemporary economic policy.

We now turn to the relationship between the design of our major and the achievement of the three measurable objectives of our goal of economic literacy.

## **Objective Number One** **Understanding Different Schools of Thought**

*We want our majors to develop a fundamental knowledge of the principal schools of economic thought, learn how to distinguish meaningfully between these often competing paradigms, and to gain the ability to synthesize the principal concepts of the various schools into a broader and deeper understanding of modern economics. In advanced economics courses our aim is to help our majors to learn how to evaluate competing economic ideas and methodologies on the basis of their own sound research methods.*

### Measures

1. Embedded measures, using assignments from some of our courses. These measures may include pre- and post-course questions.
  - For non-majors: we expect knowledge and comprehension of the major schools of economic thought.
    - We will assess what non-majors have gained with assignments that, for example, ask them to define, identify, summarize, describe, contrast, interpret, predict, apply, demonstrate, solve, or examine.
  - For majors: we expect analysis and synthesis of the major schools of economic thought.
    - We will assess what non-majors have gained with assignments that, for example, ask them to analyze, explain, connect, classify, integrate, modify, plan, create, generalize, assess, support or conclude.
2. Transcript analysis. Since many of our courses are geared to exposing and training students in different schools of economic thought, a measure of our success in the objective is the breadth and depth of courses that majors and non-majors take. We will track the number of 200 and 300 level courses taken by majors and non-majors in order to assess this breadth and depth.
3. Separate surveys of graduates and seniors.

- It is clear to us that we could benefit from a voluntary survey of our senior majors, during their last month on the campus, to determine their degree of “economic literacy” in terms of the following various aspects of their learning: their reading habits regarding economic subjects, including periodical material and newspapers; their appreciation for the various and competing perspectives about economics and their effect on the material they are reading; their ability to interpret and analyze economic events such as domestic politics and world affairs in terms of their economics education; their ability to research economic, or other kinds of issues, in libraries and on the web.
- We also plan to develop an instrument to determine how well our majors exhibit economic literacy after graduation. Included in the survey will be questions assessing their ability to critically analyze the information they are presented with by the media, using the skills acquired at Bucknell (and see more about the media below.).

## **Objective Two**

### **Understanding Global Economic Issues**

*We expect all students in our courses to apply theories, tools, and concepts to the analysis of contemporary global, as well as domestic, economic issues.*

#### Measures of understanding of global economic issues

1. Embedded measures using assignments from some courses. These measures may include pre- and post-course questions.
  - For non-majors: we expect knowledge and comprehension.
    - We will assess what non-majors have gained with assignments that, for example, ask them to define, identify, summarize, describe, contrast, interpret, predict, apply, demonstrate, solve, or examine.
  - For majors: we expect analysis and synthesis, and evaluation. We will assess what non-majors have gained with assignments that, for example, ask them to analyze, explain, connect, classify, integrate, modify, plan, create, generalize, assess, support or conclude.
2. Transcript analysis. Since so many courses are geared to exposing students to economic thought as it applies to global policy issues, a measure of our success in the objective is the breadth and depth of courses that majors and non-majors take. In particular, we will track student enrollments in our area studies courses in Latin America, the Caribbean, France and England, Canada, China, and Africa.

## **Objective Three**

### **Critical Analysis of Current Economic Issues Presented by the Media**

*In our courses we seek to provide a significant proportion of Bucknell students the opportunity to learn how to read, gain knowledge of, and comprehend in a historical context, the economic content in such newspapers as The Wall Street Journal and The New York Times, non-academic periodicals, and other media.*

## Measures of critical analysis of the media

In all courses, instructors require a combination of exams and essays that cover both descriptive and analytical material. The students' responses to these exams and their essays regularly demonstrate the ability of the great majority to apply their understanding to contemporary economic problems.

1. Embedded measures using assignments from random/rotating courses. Some of these measures may include pre- and post-course questions.
  - For non-majors: we expect knowledge, comprehension, and application of economic content in the media.
    - We will assess what non-majors have gained with assignments that, for example, ask them to define, identify, summarize, describe, contrast, interpret, predict, apply, demonstrate, solve, or examine.
  - For majors: we expect analysis, synthesis, and evaluation of economic content of the media.
    - We will assess what non-majors have gained with assignments that, for example, ask them to analyze, explain, connect, classify, integrate, modify, plan, create, generalize, assess, support or conclude.
    - Survey questions of seniors and post-graduates.