

TO: Mike Mahon
President and Vice Chancellor

DATE: July 29, 2013

FROM: Robert A. Boudreau
Chair, University Review Committee

RE: Department of Economics, Academic Quality Assurance Review

In accordance with the U of L *Academic Quality Assurance Policy and Process*, the University Review Committee approved the review of the Department of Economics at its June 25, 2013 meeting.

The Program Review Committee for this review was comprised of Duane Rockerbie (Program Review Coordinator), Richard Mueller, Alex Darku, and Donna Townley. The review produced four documents:¹

1. *Department of Economics Review and Self-Study* (received May 3, 2012) - self-study report developed by the Department of Economics Self Study Committee.
2. *Report of the External Review Committee on the Department of Economics, University of Lethbridge* (received January 2, 2013) - External Review Report by Philippe Cyrenne (University of Winnipeg) and Kenneth Stewart (University of Victoria), based on their site visit of November 15-16, 2012.
3. *Department Response to External Review Report: Department of Economics Program Review 2013* (received April 8, 2013) - response of the Self Study Committee to the external review.
4. *Programme Review - Department of Economics* (received June 23, 2013) - response to the review, written by Chris Nicol, Dean of the Faculty of Arts and Science.

¹ All documents are available upon request.

Self Study

Over the past five years, enrolments in the Department of Economics have risen and fallen. Enrolment increased to a peak of 2,449 students in 2007, then declined to 1,965 students in 2010. The 2010 enrolments were almost identical to 2002 enrolments. The number of B.A. Economics majors dropped after 2007, probably due to a significant decrease in course offerings during that period and to a drop in credit hours taught in the Faculty of Management (a source of Economics majors).

In the near future, the department will face two major challenges:

1. Improve the undergraduate curriculum to meet the needs of Economics majors and the needs of the employment market.
2. Develop the graduate program, in a planned expansion that ensures academic quality and is within available resources.

The department has discussed the first point regarding the undergraduate curriculum. Following these discussions, the department submitted proposed curriculum changes for approval. These proposed changes were rejected due to a lack of departmental resources. To strengthen and modernize the Economics curriculum there are several key topic areas that it must address, including financial economics, public finance, public economics, and topics on industry trends. The department has introduced ECON 2140: Introduction to Financial Economics, but additional curriculum revisions will likely have to wait until a current Arts and Science pause on curriculum additions or changes is over.

Regarding graduate studies, Economics has taken a slow and cautious approach. The department has drafted a proposal for a Master of Business Economics, but this remains in limbo because of a lack of available funding. An internal discussion has also begun on offering a set of Economics courses required for a graduate student in the department. For now, the Department of Economics is operating under the existing Master's program, which is managed by the School of Graduate Studies.

External Review

In their report, external reviewers Phillipe Cyrenne and Kenneth Stewart noted that the department has the following core strengths:

- Faculty members have an impressive record of research publication.
- First year instruction is of a high quality.
- First year students have lab instruction as well as classroom instruction.

From the external review, the following twelve key issues can be extracted:

1. The possibility of a graduate program will be a key issue. Some faculty express concern that focusing on graduate programs will be to the detriment of the undergraduate program. Implementing a graduate program will likely take resources away from the undergraduate program. Another caution is that economics graduate students get little research grant funding, so a graduate program in economics is expensive to operate. If a graduate program is launched, the department would need two new tenure track positions. A U of L graduate program in economics could not compete against the U of C Economics department, which is among the top ten economics departments in Canada.

2. The existing four-year program has to satisfy both general students and students interested in the advanced study of economics. The department lacks a B.A. (Honours) in economics and does not have a three-year degree.
3. There are some omissions in the undergraduate curriculum. The department does not offer: field courses in public economics; industrial organization; international trade; development economics; and money and banking. Some other economics departments also offer select courses on a rotating basis: history of thought, cost benefit analysis, health economics, managerial economics, and econometrics. The Economics department does not offer these courses either.
4. There is little variety in third year Economics courses. Third year courses are particularly important for attracting and retaining Economics majors.
5. Consider moving towards a department with a large number of courses and majors. One way to do this is by offering a wider variety of second and third year courses that are taught by assistant, associate, or full professors, and first year courses taught by sessional instructors.
6. Consider a “standing coordination committee” to bring more uniformity to introductory courses.
7. Most enrolments are at the introductory level, and there are few Economics majors.
8. There is a lack of strong undergraduate students who can be employed as graders and tutors. This means that some sections of introductory courses have to use multiple choice testing, something that does not align with the U of L’s goal to offer a richer, liberal education.
9. Economics is like the natural sciences in that a core discipline must be taught, and like the arts in that there is little external research funding available.
10. There is some debate about the fit of the agricultural studies program in the Economics department.
11. The expansion of degree-granting programs in Calgary will reduce the supply of students from the Calgary area.
12. Department resources are significantly strained.

Overall, the external review had seven recommendations for improving the quality of the Department of Economics:

1. Consider introducing “coordinating committees” for multi-section courses to regularize course content and evaluation methods.
2. Employ the strongest senior undergraduate Economics majors as graders for assignments and midterm exams.
3. Where possible, give Academic Assistants full responsibility for course delivery, not just for lab instruction.
4. If a graduate program is developed, carefully consider a targeted, niche area for it and ensure it is fully funded.

5. Consider moving the department to the Faculty of Management. The missions of Economics and Management are similar, many Economics faculty have ties to Management faculty, and there are areas of current, and future collaboration between faculty members.
6. Revisit the role of the Agricultural Studies program.
7. Raise the research profile of the Department by greater participation in academic conferences, developing a visiting speaker series, increasing external funding, and registering research activities with Research Papers in Economics.

Program Response

The Self Study Committee provided the following responses to the seven recommendations from the external review:

Recommendation:	Response:
1. Consider introducing “coordinating committees” for multi-section courses to regularize course content and evaluation methods.	The Economics department will create a standing Undergraduate Curriculum Committee that will be charged with standardizing the content for the multiple sections of ECON 1010 and ECON 1012 and with ensuring the content promotes student success in ECON 3010 and ECON 3012. The committee composition will be the chair of the department, one Academic Assistant, and two faculty members who have recently taught ECON 1010 or ECON 1012. Possible strategies for the committee to consider include: adopting a common textbook; specifying the core principles that must be taught; and requiring final exams to have standardized questions for all sections of the same course.
2. Employ the strongest senior undergraduate Economics majors as graders for assignments and midterm exams.	It is difficult to recruit student markers at the current rates of \$12 - 15 per hour. The funding for student markers is determined by the Dean; the department cannot increase this amount. The department will move the bulk of the annual student marker budget to the ECON 1010 and ECON 1012 sections, with the exact amount determined by the department chair. Non-core, smaller enrolment courses will have lower priority for student marker funds. The chair will develop and disseminate within the department the allocation of student marker funds.
3. Where possible, give Academic Assistants full responsibility for course delivery, not just for lab instruction.	The Faculty Handbook prohibit Academic Assistants from assuming full lecture responsibilities. The Dean oversees the workloads of the Academic Assistants so that allocated contact hours fall within the guidelines within the Faculty Handbook. The Self Study Committee recommends that the Academic Assistants and the Dean of Arts and Science

Recommendation:	Response:
	discuss re-evaluating the job description of Academic Assistant in the Department of Economics. Increasing their lecture contact hours may require redefining their positions to Academic Assistant III.
4. If a graduate program is developed, carefully consider a targeted, niche area for it and ensure it is fully funded.	<p>The Economics graduate program is slowly expanding, from one student in 2011-12, to two in 2012-13 and three to four in 2013-14.</p> <p>The Economics department does not have adequate resources to launch a competitive M.A. in Economics. One option is to initiate discussions with the Faculty of Management to establish an M.Sc.(Management) in Economics and offer this as an option along with the current M.A. in Economics.</p>
5. Consider moving the department to the Faculty of Management.	<p>The Department of Economics has a strong working relationship with the Faculty of Management. But there are no strong reasons to seriously consider a move to the Faculty of Management, especially given the complex administrative hurdles and the political climate in Alberta.</p> <p>An M.Sc. (Mgt) in Economics (see above) is an alternative to this recommendation.</p>
6. Revisit the role of the Agricultural Studies program.	<p>Enrolment increases in Agricultural Studies have put increased pressure on Economics faculty members to deliver the AGST courses, which are the sole responsibility of the Department of Economics. One possible solution is to assign some teaching responsibilities for the AGST courses to the Geography department.</p>
7. Raise the research profile of the department by greater participation in academic conferences, developing a visiting speaker series, increasing external funding, and registering research activities with Research Papers in Economics.	<p>Efforts to develop a visiting speaker series have been hampered by lack of funding. Efforts to get external funding from the private sector have resulted in requirements for narrowly focused lectures that do not serve the Department of Economics well.</p> <p>The department will update the faculty profiles on its web page.</p> <p>The department will assign one faculty member to establish and maintain a working paper collection in Research Papers in Economics.</p> <p>The department will ensure that its web page acknowledges research grants and other achievements.</p>

Dean's Response

In his response to the review findings, Dean of Arts and Science Chris Nicol provided comments at both the micro and macro levels.

At the micro level, the Dean's Response noted that the department has already implemented the recommendation to use student markers for introductory courses. By using student markers for introductory courses and graduate students as graduate student assistants, some of the instructors' tutorial duties could be reassigned elsewhere. There are three departmental faculty members who are Instructors at the Academic Assistant 2 rank. The Dean's office supports moving Instructors to the Academic Assistant 3 rank and asks the department to develop a plan and a schedule for making these changes. Subject to a peer review process, all Instructor positions in Economics are eligible to be considered for appointment at the Academic Assistant 3 level.

The two main macro level comments addressed graduate programming and a move to the Faculty of Management. Regarding graduate programming, the department will work with the Faculty of Management to create a proposal for a Master's program, potentially an Economics specialization in the existing M.Sc. (Management) program. The department will consider a graduate program related to its undergraduate program in Agricultural Studies. The Dean does not support the recommendation on moving the department to the Faculty of Management. This move would be administratively complex, and the benefits of this restructuring could be obtained in different ways.

The University Review Committee is satisfied that the Department of Economics academic quality assurance review has followed the U of L's academic quality assurance process appropriately, and acknowledges the successful completion of the review.

Sincerely,

Robert A. Boudreau
Chair, University Review Committee

Cc: Andrew Hakin, Provost and Vice President (Academic)