PROGRAM ASSESSMENT REPORT
AY 2008-2009

Report Date: **August 3, 2009**

School/College: **Arts and Sciences**

Department/Program: **Economics/ Masters Program in International and Development Economics**

Person completing the Report: **Prof. Elizabeth Katz**

1. **Overview Statement**: Briefly summarize the assessment activities that were undertaken this academic year, indicating:

   a. Which program learning outcomes were assessed this year.

Program Goal 1: Understand the application of modern ***microeconomic theory*** to the key problems of economic development, international trade and finance.

1a. Students will be able to apply indifference curve analysis to study how government policies affect welfare of the households.

1b. Students will acquire knowledge of the theory of decision making under uncertainty and apply it to economic problem.

1e. Students will acquire knowledge of different market structures such as perfect competition, monopoly, monopsony, monopolistic competition, duopoly and oligopoly.

1f. Students will acquire knowledge of basic game theory and its application in microeconomics.

1g. Students will acquire knowledge of general equilibrium theory and the relationship between competitive equilibrium and Pareto optimality

Program Goal 2: Understand the application of modern ***macroeconomic theory*** to the key problems of economic development, international trade and finance.

2c. Students will acquire knowledge of theory of investment, theory of consumption, Keynesian theory of aggregate demand, IS-LM model, theory of Philips curve, rational expectations hypothesis and stabilization monetary policy.

Program Goal 5: Develop the necessary analytical, technical and communication

skills to ***carry out an original research project*** on a relevant topic within the fields of International and Development Economics.

5b) Students will be able to conduct original quantitative ***empirical analysis*** of an international or development economics problem.

5c) Students will be able to effectively ***communicate research findings*** both in writing and orally, in the form of a final Masters Project and Oral Defense.

b. Who in your department/program was involved in the assessment of the above learning outcomes

   Man-Lui Lau (administered and tabulated embedded questions for Micro Theory)

   Sunny Wong (administered and tabulated embedded questions for Macro Theory)

   Elizabeth Katz, Bruce Wydick, Alessandra Cassar, Sunny Wong, Hartmut Fischer, Jennifer Alix-Garcia, Pauline Grosjean (utilized scoring rubrics for oral presentations of Masters Projects)

2. **Please Answers the Following Questions for Each of the Student Outcomes Assessed:**

   a. **<u>What did you do?</u>**
   Describe clearly and concisely how you assessed the learning outcomes that were evaluated this year (e.g., measures, research methods, etc.). [please use bullet points to answer this question]

Program Goal 1 (Micro Theory):

Prof. Lau administered eleven embedded questions in the Final Exam for Graduate Microeconomic Theory (Econ 601) in the Fall of 2008. Please see attached results.

Program Goal 2 (Macro Theory):

Prof. Wong administered 2 embedded questions in the Final Exam for Graduate Macroeconomic Theory (Econ 602) in the Spring of 2009. Please see attached results.

Program Goal 5 (Research):

Faculty utilized a scoring rubric to assess the quality of the students' oral presentations of their Masters Projects in the Spring of 2009. Please see attached.

b. <u>What did the faculty in the department or program learn</u>?
Summarize your findings and conclusions as a result of the assessment indicating strengths and weaknesses in student learning demonstrated by this assessment.

The Department will discuss the results of the assessments in the first meeting of the 2009-2010 year. There was strong consensus that using the scoring rubrics for the orals assessment was a great improvement over prior, ad hoc practice, lending greater transparency and clarity to the evaluation process. Students also appreciated knowing the precise criteria that were to be used in assessing their work.

c. <u>What will be done differently as a result of what was learned</u>?
Discuss how courses and/or curricula will be changed to improve student learning as a result of the assessment. Include a discussion of how the faculty will help students overcome their weaknesses and improve their strengths.

The Economics Department will discuss possible modification of curricula when we evaluate the results from last year's assessments. We will definitely continue to utilize the scoring rubrics for the orals.

3. **Attach a copy of the components of the department/program assessment plan that have been modified since its initial submission:**
    a. Program Mission
    b. Program Learning Goals
    c. Program Learning Outcomes
    d. Program Learning Rubrics aligned with outcomes
    e. Curriculum map that shows the courses that pertain to the outcome

The learning outcomes and rubrics related to Program Learning Goals 1 and 2 (Micro and Macro Theory) were modified to be consistent with those of the MA Econ Program. See attached.

Appendix: Grading Rubrics

GRADING RUBRIC ECON 601 2008 (Man-lui Lau)				
Learning Outcome	**Final Exam**		**Econ students**	**IDEC students**
1a. Students will be able to apply indifference curve analysis to study how government policies affect welfare of the households.	**Question II.2**	**Very Good**	**0**	**0**
		Good	**1**	**0**
		Average	**4**	**1**
		Poor	**10**	**12**
	Question II.3	**Very Good**	**5**	**2**
		Good	**1**	**0**
		Average	**5**	**4**
		Poor	**4**	**9**
1b. Students will acquire knowledge of the theory of decision making under uncertainty and apply it to economic problem.	**Question II.1**	**Very Good**	**7**	**2**
		Good	**1**	**0**
		Average	**1**	**0**
		Poor	**6**	**11**
	Question III.1	**Very Good**	**12**	**9**
		Good	**1**	**2**
		Average	**1**	**0**
		Poor	**1**	**2**
	Question III.6	**Very Good**	**2**	**2**
		Good	**4**	**3**
		Average	**8**	**3**
		Poor	**1**	**5**
1e. Students will acquire knowledge of different market structures such	**Question III.4**	**Very Good**	**0**	**0**
		Good	**4**	**9**
		Average	**10**	**3**
		Poor	**1**	**1**

as perfect competition, monopoly, monopsony, monopolistic competition, duopoly and oligopoly.	**Question III.7**	**Very Good**	**0**	**0**
		Good	**0**	**0**
		Average	**3**	**5**
		Poor	**12**	**8**
1f. Students will acquire knowledge of basic game theory and its application in microeconomics.	**Question III.3**	**Very Good**	**10**	**7**
		Good	**5**	**3**
		Average	**0**	**3**
		Poor	**0**	**0**
1g. Students will acquire knowledge of general equilibrium theory and the relationship between competitive equilibrium and Pareto optimality	**Question I**	**Very Good**	**3**	**5**
		Good	**0**	**1**
		Average	**5**	**0**
		Poor	**7**	**7**
	Question III.2	**Very Good**	**3**	**7**
		Good	**9**	**2**
		Average	**3**	**4**
		Poor	**0**	**0**
	Question III.5	**Very Good**	**1**	**0**
		Good	**8**	**6**
		Average	**6**	**5**
		Poor	**0**	**2**

GRADING RUBRIC ECON 602 2009 (Sunny Wong)

Question 1: Fundamental Concept of the AD-AS Model [REQUIRED]

(20 Points)
Consider the following model:

$$IS: y_t - \bar{y} = \alpha_1 (g_t - \bar{g}) - \alpha_2 (r_t - \bar{r}) + v_t \quad (1)$$

$$Policy\ Rule: r_t = \bar{r} + h(\pi_t - \pi^*) + b(y_t - \bar{y}) \quad (2)$$

$$AD: y_t - \bar{y} = \alpha(\pi^* - \pi_t) + z_t, \quad (3)$$

$$AS: \pi_t = \pi_{t-1} + \gamma(y_t - \bar{y}) + s_t \quad (4)$$

$$Static\ Expectations: \pi_t^e = \pi_{t-1} \quad (5)$$

where $\alpha = \frac{\alpha_2 h}{1+\alpha_2 b} > 0$ and $z_t = \frac{v_t + \alpha_1(g_t - \bar{g})}{1+\alpha_2 b}$.

Suppose that the economy begins in the long-run equilibrium (point A). The Fed decides to use an expansionary monetary policy (increase the money supply) in the economy.

1. Draw an AD-AS diagram to show the *short-run* effect of the expansionary monetary policy (call the new equilibrium as point B). Explain.
2. Draw an AD-AS diagram to show the *long-run* effect of the expansionary monetary policy (call the new equilibrium as point C). Explain.

Grade Distribution

Class	Grade	AQ1	AQ2
Over All students	A	25	22
	A-	1	8
	B	12	8
ECON students	A	12	9
	A-	0	3
	B	7	7
IDEC students	A	13	13
	A-	1	5
	B	5	1

University of San Francisco
Masters Program in International and Development Economics

Assessment Rubric for Masters Project Oral Defense

Student Name: _____

Faculty Advisor: _____

Evaluation Criteria: Did this student's Masters Project defense:	Poor/Unacceptable	Fair/Acceptable	Good	Excellent
1) State clearly the purposes, research question(s), and hypotheses appropriate to the topic and area of study?				
2) Show appropriate preparation and knowledge through the review of literature?				
3) Clearly and thoroughly explain the data collection methodology utilized, and present descriptive statistics in a useful way?				

Evaluation Criteria, cont.	Poor/Unacceptable	Fair/Acceptable	Good	Excellent
4) Explain, use and competently implement econometric methods appropriate to the area of study and to the purpose and question(s)?				
5) Illustrate appropriate means for evaluating and interpreting the results?				
6) Discuss and arrive at appropriate and logical conclusions from the results?				
7) Demonstrate fluent verbal communication?				
8) Respond well to questions?				
9) Have a clearly understandable and visually useful PowerPoint presentation?				

Recommendation: PASS PASS SUBJECT TO REVISIONS PASS WITH HONORS FAIL

Assessment submitted by (faculty name): _____