Self Study
Economics and Business Department
Summer 2000
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Goal: to analyze the six standards and how well they are being addressed by the Economics and Business department and to develop a strategy for improving the achievement of the goals.

Departmental goals:
1. Develop graduates ready to serve others through economics and business skills.
2. Develop majors who are seeking God's call and understand the role of the Christian in the economic system.
3. Develop graduates who are flexible, independent, confident, and broadly educated.
4. Develop graduates who have people skills, problem solving and analytical skills, and communication skills.
5. Develop students into junior scholars in the academy.

Christian Orientation.

1. As stated in the Physics Self Review, the Christian orientation standard divides into cognitive (knowledge) issues and behavior (practices, affections, and virtues) issues. The former are more easily measured. The latter, while more difficult to measure, are nevertheless important outcomes.
   a. Current strategies:
      i. While markets, the profit motive, economic growth, and self-interest are often seen as contradictory to Christian ethical standards, we encourage students to integrate economic theory and business practices with Christian life and principles. Christian history and values inform market participation and market theory informs Christian behavior.
      ii. The Economics and Business department along with the whole of Westmont College attempts to bring religious and moral value questions into direct discussion as often as these questions intersect the subject at hand. Given Westmont's Christian heritage, Christian/Biblical values are given particular emphasis.
      iii. The discussion of capitalism versus socialism raises questions about the value of private property versus public property, individual versus community, and profit versus the good of the state. In courses where carefully prescribed procedures are the focus such as accounting, value questions are seldom directly encountered. Where value questions are central or tangential to a course, those questions are confronted.
      iv. Faculty enter into mentoring and counseling relationships with students exhibiting the role of Christian values in a variety of economics and business situations as well as personal life.
   b. Samples of course activity
      i. *Principles of Macroeconomics.* One of the three goals of the course according to the syllabus is the development of a Christian approach to economics which will enable the student to better pursue "the mind of Christ" in regard to various economic issues which he/she will confront in the marketplace and in the voting booth, among other settings. In
the Principles of Macroeconomics course, in-class group discussions of Biblical passages and readings in current works (from several different viewpoints) on Christianity and economics are assigned. Problem sets and exam questions ask students to wrestle with issues pertaining to the application of Biblical principles to economic questions of self-interest, voluntary exchange, property rights, and the role of government.

ii. *Principles of Microeconomics.* Early in the Principles of Microeconomics course under the topic of economic systems, Biblical references to property, the role of government, and the Biblical employment of imposed costs on undesired or immoral behavior are brought into class discussion. A series of readings is used toward the end of the course which give various Christian perspectives on capitalism and its perceived strengths and weaknesses. Christian/moral questions about the profit motive, the self-centeredness of man, competition vs. cooperation, poverty and income inequality, property ownership, monopoly, and problems of pollution and externalities are discussed. Different strategies based on Christian and other principles are proposed for garnering societal improvement. Capitalism's inability to provide necessary values for its own viability is one featured topic.

iii. *Intermediate Microeconomics.* Course objectives include: The development of a greater understanding and comprehension of Biblical teaching in regard to economics, with respect especially to questions of environmental pollution, access to health care, individual wealth and poverty, and the role of the market and the State in achieving economic justice. In class discussion includes the questions, How do we evaluate the modern economic premise of unlimited wants? In light of the Biblical view of man's nature, should individual desires be inspected before they are automatically satisfied? Term papers deal with topics such as the economics of marriage and family, advertising, pollution, and poverty. Each paper addresses questions relating to the application of Biblical values to the issue, and requires students to interact with different viewpoints before articulating its own perspective on the policy issue. Students read a book which presents a debate on economic justice and the state from a Christian perspective.

iv. *Intermediate Macroeconomics* Underlying assumptions of the macro-model are discussed as they arise out of enlightenment theory; these are compared with Christian values.

v. *History of Economic Thought.* In both a term paper and a debate, students are challenged to relate their Christian faith to the works of the great economists. The course begins with the writings of the Old and New Testament, and moves into the Patristic and Scholastic literature. It also considers the application of the published works of the Protestant Reformers to economics. All of this material is foundational to the evaluation of the rise of economics as an autonomous discipline in the remainder of the semester. Problem sets and essay exam questions ask students to wrestle with issues pertaining to the application of Biblical principles to the views of the great economists.

vi. *Economic Development.* The purpose of the course in is to uncover the scientific and ethical issues of development, to confront points of view that challenge or confirm held points of view, and to raise sensitivity to the plight of fellow human beings living in disastrously impoverished circumstances. The Biblical injunction to help brothers in need requires that needs be clearly understood and that those strategies to help be truly helpful--this requires understanding of the scientific aspects of economic development. The whole context of the course in economic development assumes that some kind of development is desirable; that the human condition in the material world matters. Early on in the course a set of Biblical propositions developed by the Oxford Conference on
Christian Faith and Economics is considered as they relate to issues of economic development.

vii. *Money and Banking.* Students are challenged to relate their Christian faith to topics of the course. Biblical passages and readings in current works pertaining to a Christian view of our monetary system are discussed. They consider Biblical perspectives on the gold standard, loans and interest-taking, fractional reserve banking, and the relationship of monetary changes to inflation. Problem sets and exam questions ask students to wrestle with these issues.

viii. *Corporate Financial Management.* Students study the basic tenets of corporate finance from a distinctively Christian world view and perspective. This introduces numerous questions about asset valuation, ownership-stewardship, debt-equity interactions, and risk management. The primary objective of the course is to specifically recognize how one’s personal faith and world view relates to the field of corporate finance. (All of Dr. Newton’s courses include this faith objective.) This integration can be difficult to formulate in just 16 weeks time. Students are expected to read the article: “Economics and Business, Relative Truth, and the Liberal Arts”, by David Newton, and provide a 1-page written response. In a perspectives/integration paper, students examine the details and issues related to a contemporary corporate finance topic of their choice. This provides an opportunity to inquire into research matters of interest and develop a faith-oriented perspective.

ix. *Managerial Economics.* Students study the basic tenets of quantitative-based managerial decision making from the unique perspective of a distinctively Christian world view. This introduces numerous questions about faith and practice, personal decisions and God’s direction, and the quantitative vs. qualitative approach to decision assessment, analysis, and implementation. The primary objective of the course is to specifically recognize how one’s personal faith and world view relates to the use of economic tools and analysis in managerial decision making.

x. *Senior Seminar.*

1. First half topics include the ideas and values of secular religion, the nature of a “calling” to the world of business and its moral possibilities, its relationship to the capitalist system, and its role in the mediating structures of modern society, moral ambiguities of the corporate world and business virtues, human rights, transnational activities, downsizing, and responsibilities to the poor in connection to the corporation.

2. Students complete a journal with a detailed outline and reflections on their assigned readings.

3. Unit II of the course regards establishment of balance in the business life accomplished by establishing margins or reserves in the areas of the emotional, physical, financial and time management areas of life. The question, “Does the Christian life make a difference” is explored.

4. Unit III focuses discussion on real world problems of managerial decision-making that require the implementation of both delegated directives and individual choices relative to various policies and procedures that compromise individual interpretations of truth and morality.

   a. The four class sessions of Unit III focus on evaluating the merits of Biblically-based absolutism for Christians involved in secular enterprise.

   b. Students reflect on specific case study scenarios. The objective is to help students formulate a clear and concise strategy for personal integrity now (before graduating
from Westmont) rather than later, when students will experience various degrees of
pressure to conform to a procedural commercial environment.

xi. Practicum—students exhibit their spiritual beliefs and a strong work ethic to be a problem
solver on their jobs. One of the goals established by students must be spiritual.

xii. Mentoring relationships often develop between faculty and student which include sharing
of faith as it relates to all of life’s issues.

xiii. Students are pointed to various resources dealing with integration of Christian values and
economic life. Several courses include a bibliography of books that address these
questions. We believe that excellence in traditional academic work glorifies God as it
clarifies truth.

c. Assessment and Evidence
   i. Various forms of examinations and papers throughout course work, classroom and out of
class discussions provide a gauge of student achievement over the years at Westmont.
Senior Seminar requires papers which give a measure of student thinking on faith related
issues. Practicum grades are based partly on the evaluation of the instructor and employer
on the behavior exhibited by the student.
   ii. We recognize that measurement of test reliability can be difficult especially for some test
types and other types of evaluation.

d. Strategy for improvement
   i. We plan to emphasize department goals in every course; these include the role of the
Christian in the economic system.
   ii. We will convene a once a semester meeting with transfer and first year students which will
emphasize department goals among other topics such as graduate school preparation and
Christian lifestyle issues.
   iii. Beginning with the second year students, we will require that students maintain a portfolio
which will include papers, debates, or other products of their work. This would include
works that integrate the Christian faith and various business and economic issues.
   iv. This portfolio will be regularly reviewed in advising sessions each semester.
   v. We plan to share our academic passions and areas of research in semester meetings with
students.
   vi. We plan to work on a department wide faith learning bibliography.
   vii. In classes and the semester meetings, we intend to focus more a concept of success from a
Christian perspective. This would include growing passion for activity perceived as God’s
calling, and creativity independent of financial remuneration. Higher rungs on the
corporate ladder may not be where success lies.

Critical/Interdisciplinary Thinking
1. Current activity. Possibly the strongest contribution of the EB department is its emphasis on
analytical and critical thinking skills and, particularly in the economics courses, on the experimental
(scientific) form of analysis with the development and testing of hypotheses.
   a. Mathematical techniques are used in several EB courses and particularly emphasized in the
Quantitative Economics and Managerial Economics courses.
   b. Through the Westmont in Asia and IBI programs, opportunities for involvement in "third world"
cultures, and other international courses, the EB department contributes to thinking critically
about culture.
   c. To some extent, the EB major contains different disciplines. There is a component of
mathematics and statistics with requirements from those disciplines and Quantitative Economics
within the department; there are components including economic history, political science (public choice) with the economics requirements; and there are various aspects of business which include collecting and organizing information, using that information to solve problems, managing the performance of others and creating and communicating (with ties to communication studies) new ideas for profitable activity,

d. Moral/ethical questions are raised in several EB classes and the Senior Seminar focuses on Business ethics with some focus on issues of women in business.

e. We are open to and would encourage faculty exchanges among departments where various disciplines shed light on a common problem.

f. Locating and evaluating information is encouraged in several courses where research papers are integral parts of the semester's work.

g. Projects such as the Small Business Institute reports and the North American Business Plan Competition are outstanding opportunities to hone thinking skills.

2. While not always widely recognized, training in economics is an outstanding discipline for producing/attracting top academic skills and is one rationale for including relatively heavy economics requirements in the Westmont Economics and Business major.

a. According to William Walstad and Michael Nieswiadomy, in “LSAT scores of economics majors”, in the *Journal of Economic Education*, Fall 1998, among the average LSAT scores of disciplines with more than 2,000 students who applied for 1991-92 or 1994-95 law school admission, economics majors ranked first among these majors in both years. Among all students taking the test and applying for admission Economics placed third behind physics/math and philosophy/religion in a group of 29 disciplines in both years.

b. Among 25 majors entering the University of California at San Diego in the fall of 1995, based on entering combined GRE scores, economics majors ranked fourth among 25 majors behind Philosophy, Computer Science, Physics, and Bioengineering (http://www-ogsr.ucsd.edu).

3. Courses contribute in some specific ways to critical thinking skills:

a. Of the competencies writing, critical thinking, and oral presentation, the emphasis of economic theory courses is on critical thinking. Economic problems are analyzed by developing hypotheses concerning key explanatory variables (principles or models) and examining the predicted consequences of such hypotheses. Although experiments are not usually done in the sense of a laboratory science, economics attempts to compare predicted results of economic change according to developed hypotheses to actual results as observed in society. At times direct experiments can be done in class (see Principles of Microeconomics below).

b. Where there are competing hypotheses to explain a particular phenomenon, a class discussion or oral debate may be undertaken to emphasize differences and similarities in competing hypotheses. Underlying assumptions are also examined as a means of judging the appropriateness of the hypothesis.

c. Writing and graphic model building may be used on essay tests, papers and assignments as a device to allow students to practice articulating analysis, debating major points of theory, or applying analysis to new problems.

d. While less formally "scientific," business courses also emphasize thinking skills.

4. Particular pedagogical aspects of EB courses are the following:

a. *Principles of Macroeconomics*.

   i. This course seeks to foster an appreciation of the importance of economic questions and the need to develop an economic way of thinking, essentially employing the scientific method, to approach them effectively.

   ii. Small in-class group discussions examine many of the key economic issues facing the
nation.

iii. Students also watch and interact with videos dealing with different economic systems and macroeconomic policy questions. Students are challenged to develop critical analytical skills by means of active learning.

iv. Critical/analytical skills are also fostered through the following means:

(1) Problem sets (homework) and exam questions which require the students to engage in quantitative analysis, as well as graphing and interpreting graphs. Many of the multiple-choice exam questions require the student to apply concepts to both familiar and new situations.

(2) Essay exam questions which require students to synthesize in-class discussion, current readings on macroeconomic topics, and textbook discussion of contemporary macroeconomic questions.

(3) In-class debates (by groups) on current policy issues. The debate format gives students an appreciation of the complexities of modern economic issues by debating the pros and cons of economic policy questions. Criteria of evaluation for the debate include content of the presentation; organization and clarity of the presentation; ability to ask penetrating, critical questions; ability to give well-reasoned responses to questions.

(4) A research paper which addresses a contemporary macroeconomic policy issue. The paper is structured as an analytical book review and evaluation of the policy issue(s)/economic history concerns surrounding the topic chosen. It must address the author's central thesis in regard to the policy issue and the strengths and weaknesses of the author's arguments.

b. Principles of Microeconomics. The major goals of the course are to teach students to think like an economist and to supply the tools to enable them to think that way; to help them to critically evaluate capitalism from the standpoint of economic theory and from the standpoint of Christian values.

i. Class activities include listening to and interacting with lecture, participating in experiments, joining in student discussion groups on current economic issues such as rationing of medical care and dealing with illegal drugs, working with a study guide and a computerized interactive graphic study guide, watching/listening/discussing videos that present particular perspectives on economic problems, doing readings in and outside of the text.

ii. These activities are designed to foster an ability to think like an economist thinks. Critical/analytical thinking is the primary competency bred in the course. To a degree, tests put students into new situations to require that new applications be made; these are then discussed following the test.

iii. Animated graphics shown via Powerpoint demonstrations are used to improve student performance. Significantly improved test scores have been correlated with the Powerpoint technology.

c. Financial Accounting and Managerial Accounting. In the beginning course in accounting, an emphasis is placed on vocabulary and how business decisions can be made from financial information.

i. The goal is not to emphasize specific problems, but to learn to use accounting information for a lifetime in business. Accordingly, students are required to work on the material prior to lectures on that material, so that they will know what they do not understand.

ii. The lectures are supplemented with real world examples of how accounting information is helpful to business.

iii. The overall emphasis of the course is on analytical thinking and problem solving using the
organizational method and vocabulary of accounting.

d. *Personal Finance.* In addition to lecture/discussion, students are required to interact with professionals in various aspects of financial management, insurance agents, stock brokers, realtors, etc.

e. *Intermediate Microeconomics.* This course builds on the foundations laid in the micro and macro principles classes; it develops more fully the student's understanding of the tools of microeconomic theory and it adds to the student's "economic tool kit."

i. The course relies fairly heavily on the student's having completed the math and statistics requirements for the major.

ii. The central purpose of the course is to strengthen and broaden the economic and business major's ability to think critically and apply economic analysis to explain and predict economic behavior.

(1) Through lecture and discussion, contemporary microeconomic policy issues are analyzed.

(2) Students also watch and interact with videos dealing with different micropolicy questions.

(3) Other active learning formats include: in-class discussion of reading assignments, formally structured debates, term papers, problem sets and exam questions which require the students to engage in quantitative analysis, as well as graphing and interpreting graphs.

f. *History of Economic Thought.* Students evaluate the historical and modern significance of the works of the great economists.

i. In a term paper, students are asked to examine the economist's understanding of the economic order and analyze it from a Biblical/theological perspective. They utilize both the primary literature and the secondary literature on the economist's writings.

ii. Students also engage in oral and written communication by means of two in-class debates. These debates are designed to apply the concepts articulated by the great economists to a modern policy issue.

g. *Business Law.* The Socratic method is employed for much of the material to give students a sense of how law school works. This method emphasizes critical thinking and oral communication skills in a somewhat pressured setting.

i. The goal is not to make "amateur" lawyers of students, but to have them recognize when they should obtain legal assistance in the business world and to give them a taste of what lawyers do.

ii. This is accomplished primarily by the lecture, plus Socratic interplay.

iii. The instructor forces students to defend their positions; to learn to think on their feet.

iv. Three examinations are given, plus a required final, with primary emphasis on problem solving of legal principles, predominately related to business situations.

h. *Intermediate Macroeconomics.* The general approach of the Intermediate Macroeconomics course is to trace the development of macroeconomic thought by emphasizing the interaction of theorists with history as they attempted to develop a model which would explain major economic events.

i. Students are required to build the classical model and the IS-LM, aggregate supply-demand models with Keynesian, Monetarist, and New Classical interpretations and manipulate them in graphic form.

ii. Animated graphics shown via Powerpoint demonstrations are used to improve student performance. Improved test scores have been correlated with the Powerpoint technology.

iii. *Critical thinking and oral persuasion* skills are honed by the process of debating the different assumptions and policy conclusions of the different schools of macroeconomic thought.
i. Managerial Economics. The objective of this course is to understand the manager's use of microeconomic models & analyses to assist in the process of decision-making under risk and uncertainty within the corporation. Numerous quantitative models and equations will be examined, with the focus being placed on the practical application of how to "utilize" these in decision making, rather than how these are derived from theoretical constructs.

ii. Topics include: probability analysis and optimization models, demand estimation and pricing models, cost analyses, forecasting and econometrics, linear and goal programming, utility tests and production models, exponential & logarithmic functions, derivatives and matrices, and project scheduling and networks.

iii. The course is a 16-week excursion into the contemporary field of managerial decision-making utilizing economic models and analysis. Students must first initiate and nurture a working competency with the first tier of the discipline, namely

(1) the terminology (the language) of the field, and the concepts (models) and rationales underlying the field.

(2) As this develops and matures, students will be able to examine the problems and practice of the field, the quantitative vs. qualitative continuum for managerial decision making, and the research direction of the recent era.

iii. Ultimately, students should be able to pursue:

(1) original inquiry and research into the field,

(2) learn to disseminate that research, and

(3) engage in substantive dialogue with other finance professionals.

(4) Throughout the semester, students will have numerous opportunities to put their new knowledge into practice, including: solving a business problem simulation and preparing recommendations, an editorial integration position paper dealing with the managerial use of economic tools, a one-page commentary-synopses of various models, unit examinations on related material, and a comprehensive final exam.

j. Corporate Financial Management. The primary objective of the semester is to expose students to a full range of issues and problem-solving related to corporate financial management. Class sessions will generally start with an oral or written quiz on the scheduled readings. The remainder of the class is used to introduce and explain new material, and engage students in interactive dialogue about the contemporary issues related to the material. Throughout the semester, students will have numerous opportunities to put their new knowledge into practice, including:

i. a public firm comprehensive financial analysis and oral presentation, an editorial position paper dealing with a contemporary finance issue, weekly financial article synopses and dialogue introductions, two problem-solving examinations, and a comprehensive final examination. A heavy emphasis is placed on the competencies of analysis and writing.

k. Entrepreneurship and New Venture Development is essential to understanding how new ideas become realities, and how firms and new markets are conceived, organized, and launched. It builds upon Principles of Microeconomics and includes aspects of other course completed in Marketing, Corporate Finance, Ethics, and Management Principles. It also serves as an excellent introduction to understanding the tenets of private enterprise’s role in change and innovation as it shapes the American private sector. Throughout the semester, students will have numerous opportunities to put their new knowledge into practice, including:

i. interviewing a local Tech-Coast “Silicon Beach” entrepreneur,

ii. writing a comprehensive start-up business plan as a team,

iii. an oral presentation with Power Point of that business plan at the 11th Annual Westmont Collegiate Entrepreneurship Business Plan Competition.
iv. a position paper dealing with a contemporary entrepreneurship issue,
v. weekly entrepreneurial article synopses,
vi. a final examination.

1. Investments and Portfolio Management. This course is structured as a broad survey of investments with minor attention paid to portfolio management, and it is organized for lecture with student and professor discussion/question and answers.
i. An active learning style is promoted through case problems, scenario applications and a simulated portfolio.
ii. Critical analysis and rationales of investment selection are required.
iii. A semester-long inquiry paper with hypothesis and conclusions is also required.

m. Money and Banking. Students read works from different schools of thought on money and banking issues.
i. Active learning occurs as students are given problem sets (homework) and exam questions which require them to engage in quantitative analysis, as well as graphing and interpreting graphs.
ii. Many of the multiple-choice exam questions require the student to apply concepts to both familiar and new situations. They also are asked essay exam questions which require them to synthesize in-class discussion, current readings on topics in money and banking, and textbook discussion.
iii. An oral presentation and research paper are also required.

n. World Poverty and Economic Development. The approach used in this course is that of a seminar; there is relatively little lecturing. Most class time is spent discussing material from the text and from assigned readings from a variety of journals and books.
i. Students are required to be active in discussions since they are called upon randomly for answers to chapter end questions and since they are also required to participate in debating a controversial development issue and present two papers, one on a particular third world country and the other on a particular development issue.
ii. Quizzes are also given which are primarily designed to hold students responsible for lecture material. A final exam is employed to require students to synthesize course material.
iii. Underlying questions such as the validity of "modern development" for third world countries, the nature of man, and the implications of Christian principles and values for development are considered.

o. Marketing. The class is divided into teams of three or four for the purpose of case problems with oral analysis and reports, and the Small Business Institute consulting project, which deals with an actual current marketing problem situation taken from small business in Santa Barbara.
i. The students work as a team through the semester and provide an extensive report to the client and instructor at the end of the semester.
ii. In the project, students make marketing principles their own through the hands-on experience, thus reaching a level of learning and thinking that goes beyond rote memorization or simple application to analysis and synthesis.

p. Management. The goal of the course is to present the principles of management not only from a text and lectures but from a hands-on perspective as well. Team projects are also done in this course similar to the Marketing course.

q. Comparative Economic Systems. The course develops an analytical framework for comparing systems including a theoretical evaluation of a market system versus planning and government control. The unique or dominant policies and features of the economies of the countries visited
(the course is usually taught in an international setting) are also featured along with other especially significant world economies including Japan, China, and Sweden. Some time is allotted to a Christian response to aspects of economic systems.

r. Practicum. This course is designed for seniors to have a practical experience in the real world, which provides them an opportunity to see an area of business for potential future employment possibilities. Students are required to set goals for the practicum and have them reviewed by their superiors on the job. Lectures provide discussion of resume preparation, interview technique, etc. Additionally, students do class presentations, both oral and written, as well as read and report on a contemporary book on business.

s. Entrepreneurship and New Venture Development. This course is structured as an in-depth review of entrepreneurship and a broad survey of small business management, with attention given to strategic management for small firms, and is organized for lecture with student and professor discussion/question and answer.
   i. The special student project in this course which requires creative work as well as analysis is to conceive a new venture and prepare a business plan that would carry out the new venture.
   ii. Oral competency is also emphasized with an oral roundtable examination. Business plans are submitted to the North American Business Plan Competition at San Diego State University as well as other competitions. There is also a required semester-long research paper.

5. Assessment
   a. The department employs a variety of tests, debates, papers, projects, and experiences to evaluate student progress and achievement.
   b. In the Principles of Microeconomics course in particular, a multiple choice format is used on four semester tests. These tests are honed using item analysis; measurement of test reliability is done on each test. Combined semester tests have regularly produced Kuder-Richardson reliability of approximately 90%.
   c. We anticipate long term assessment of progress in critical thinking and written communication will be enhanced by the maintenance of portfolios of various papers and projects by all of our students.

6. Strategy for improvement
   a. Semester majors meetings will include discussion of the importance of academic preparation for graduate school and for life.
   b. Academic advising meetings will review student portfolios. This will provide a natural time to discuss quality of academic work.
   c. Semester majors meetings will discuss what success means from a Christian and a secular context.
   d. An department writer’s guide will help to raise standard on excellence in these skills.
Diversity

1. Gender studies. Data from the records office provides information on the last 13 years of the percentage of males and females in our major. We believe that the number of women in our major steadily climbed during the 70s and 80s but has declined since the late 80s. (Professors Millender and Morgan remember essentially all male classes in the late 70s and early 80s. This is part of a national trend:

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average: 17.76923, 35, 52.76923, 0.331156
stdev: 7.096406, 10.27943, 16.60398, 0.051754

a. The large increase in business majors in the 70s and 80s was due largely to the increase in women in the major along with other traditionally male fields. Research shows that Medical degrees going to women were up from 8% in 1968 to 31% in 1995, MBAs from 3% to 31% and law degrees from 4% to 39%. While the positive trend in medicine and law has continued through the 90s, the number of women going to MBA programs has leveled off at below 30%.

b. At the same time, women report their MBA experience was positive. "... perhaps the most surprising result of the survey was the debunking of the stereotype of business schools as cutthroat, testosterone-powered institutions where women are made to feel unwelcome. Indeed, just as men did, women MBAs expressed very positive feelings about their B-school experience. Some 95% of women and men alike expressed satisfaction with their degree program." (Business Week, May 22, 2000, p. 58.) The report, based on a study at the University of Michigan, concludes that the problem is that women misperceive the MBA experience. They need better information and role models in business.
c. Causes of the decline are not agreed upon. One study concludes that the decline followed the stock market crash of 1987 and the perceived drop in jobs on Wall street and in financial markets.

2. Department gender enrollment
   a. Female enrollment in department courses is an especially significant factor in overall department enrollment since Westmont enrolls an unusually high percentage of female students.
   b. In addition to the national trend, the introduction and growth of the Communications Studies major has appeared to siphon off majors from the EB department, particularly women.
   c. While women have not been as highly represented as men in our major, we have had many women excel and capture top academic awards at graduation.

3. Outstanding role models for women in business and economics are becoming more common. We attempt to bring women business leaders into the classroom to provide a model for our women students. We have regularly done this in the senior seminar, for example. In the last search to fill a faculty post in our department, we did offer a job to an outstanding woman candidate; it was accepted but unfortunately the contract was broken as personal issues forced a change of plan. We recognize that moving to gender and racial diversity in our department would be desirable. We have hired a woman to teach our topics in accounting course on a part time basis.

4. Some studies indicate that more women prefer the entrepreneurial aspect of business. Since our department offers a strong program in this field, we are in a position to encourage more women into our major.

5. Our top student award, given to the student with the highest GPA, has often gone to women.

6. **Ethnicity.** There are very significant success stories among African-Americans in economics. (According to African-American professor Walter Williams, African-Americans in the U.S., when taken separately, make up the 13th or 14th biggest economy in the world.) References to African-American authors are common in Westmont courses. Videos with prominent Africa-American representation is also common in our classes.
7. We believe that many women and persons of color still find prejudice in the work place.
8. Current and future strategies. We do recognize the desirability of providing an atmosphere where all students, regardless of race or gender, can flourish. We do need to look more at the issue of how culture affects the development of economic theory and business theory and practice. We should directly interact with our women and minority students on their experience in our program.
   a. Theory on racial and gender discrimination are focused upon in Microeconomics both in the Principles and Intermediate courses. Senior Seminar has also been used to address this topic and look at a wide spectrum of views on discrimination. An attempt is made, through empirical evidence, to show that simple explanations of discrimination are often seriously flawed. Related policies with some emphasis on their unintended effects are given attention.
   b. In order to offset the inexperience of many of our students with the destructive impact of racial discrimination, a video presentation of the impact of discrimination is a regular aspect of the Principles course.
   c. The Intermediate Microeconomics course includes a regular debate on comparable wages, the policy of equalizing wages for comparable work for male and female genders.
   d. Attempt to use gender neutral language and illustrations of business success from women and men.
   e. Paper and debate assignments include gender and racial topics such as discrimination, the role of women in the third world, the role of culture in economic development etc.
   f. We plan to continue to bring female and under represented persons as speakers for class and colloquia.
   g. We include Internships with minority businesses. Have had several internships in the minority community.
   h. We did offer a job teaching Topics in Accounting to Greg Richardson, an African American. While he had intended to teach in the fall of 2000, a job change has prevented him from doing this. We have had Greg do a two week presentation on racial issues to Senior Seminar. We hope to hire Greg to teach a course in the future.
   i. Professor Millender’s business, Flavia, is very much a female oriented business from which a large number of examples are taken.
   j. We plan to help recruit under-represented and top academic students.
   k. We plan to draw speakers from former students who are involved internationally with different cultures to speak to our students.
   l. Professor Millender plans to bring alumni speakers to campus on Friday afternoons. These include women and persons of color. Professor Millender has required students to attend meetings with alumni speakers for several years.
   m. The concept of success is discussed from a women’s point of view as well as a man’s. This is part of the literature of entrepreneurship.
   n. A ballpark estimate of the number of majors the Economics and Business department has sent on international programs overseas over the past 18 years is 360. These programs have always included a comparative look at the economies of especially European and Asian economies. In looking at international differences, unique cultural characteristics are discussed. Not only do students discover these economic/cultural differences through books and lectures, but all of these programs has included an impressive list of indigenous business and government leaders as speakers and resources. Recent years have included a three and one-half week on-the-job business and cultural experience in China.
Written and oral communication.

1. Current strategies
   a. Different types of writing in department assignments—research papers, essay tests, position papers, small business plans, SBI projects, debates, oral reports.
      i. *Principles of Macroeconomics.*
         (1) Small in-class group discussions examine many of the key economic issues facing the nation in the 1990s, such as the burden of the federal debt and deficits, savings and investment in regard to future generations, and U.S. competitiveness in international markets. In-class debates (by groups) on current policy issues. The debate format gives students an appreciation of the complexities of modern economic issues by debating the pros and cons of economic policy questions. They develop oral and written communication skills. In addition, their ability to put together a presentation in a team structure is also enhanced. Criteria of evaluation for the debate include content of the presentation; organization and clarity of the presentation; ability to ask penetrating, critical questions; ability to give well-reasoned responses to questions.
         (2) A research paper which addresses a contemporary macroeconomic policy issue. The paper is structured as an analytical book review and evaluation of the policy issue(s)/economic history concerns surrounding the topic chosen. It must address the author's central thesis in regard to the policy issue and the strengths and weaknesses of the author's arguments. Students are also required to make an evaluation of the author's conclusions respecting the policy issue, and discuss other viewpoints on the policy issue found via research in the library.
      ii. *Principles of Microeconomics.* Students earn extra credit by writing a five page position paper on a controversial economic topic. Paper grades are based on ideas presented, sorted, challenged, organized, supported, interacted with, integration of sources, style, footnoting, bibliography, spelling, grammar, and writing quality.
      iii. *Intermediate Microeconomics*
         (1) includes formally structured debates over questions such as the social responsibility of the corporation, the rationale for mergers and predatory pricing, and the fairness of markets, particularly in regard to discrimination and women's pay. In each case the participants will wrestle with the ethical implications of the proposition being debated. Students develop oral and written communication skills. In addition, their ability to put together a presentation in a team structure is also enhanced.
         (2) Term papers dealing with a contemporary microeconomic policy issue are required. Paper topics include the economics of advertising, pollution, and poverty. Each paper addresses questions relating to the application of Biblical values to the issue. The paper is evaluated in terms of economic analysis and the students' use of a wide range of sources on the topic. In addition, each student discusses their paper as a member of an in-class panel.
   iv. *History of Economic Thought.*
         (1) Students engage in oral and written communication by means of two in-class debates. These debates are designed to apply the concepts articulated by the great economists to a modern policy issue. Examples include the question of both industrial policy and managed trade policy in light of the works of Adam Smith and the Mercantilists; and the issue of population growth and natural resource depletion in light of the works of Thomas Malthus. Students are asked to put together a presentation in a team structure. Criteria of evaluation for the debate include content of the presentation; organization and clarity of the presentation; ability to ask penetrating, critical questions; ability to give well-reasoned
responses to questions.

(2) Each member of the debate group is required to turn in a paper detailing their contribution to the group presentation, research on assigned sources and other readings found by the student, and questions they develop to ask the opposing group. Participants are also evaluated on their ability to integrate the thoughts of the great economists into the discussion.

v. Business Law. The Socratic method is employed for much of the material to give students a sense of how law school works. This method emphasizes critical thinking and oral communication skills in a somewhat pressured setting. The goal is not to make "amateur" lawyers of students, but to have them recognize when they should obtain legal assistance in the business world and to give them a taste of what lawyers do. This is accomplished primarily by the lecture, plus Socratic interplay. The instructor forces students to defend their positions; to learn to think on their feet.

vi. Intermediate Macroeconomics. Oral persuasion skills are honed by the process of debating the different assumptions and policy conclusions of the different schools of macroeconomic thought. The instructor requires that students, depending on their assignment in the debate, read some of the latest journal articles related to schools of thought and macroeconomic issues. An important payoff to intermediate macro is understanding national economic policy debates and being literate in reading the Wall Street Journal and other popular business literature. Current national macro-policy is often discussed at the beginning of Intermediate Macroeconomics classes. To assist in the model building process, the instructor has written extensive notes on the models which are used along with the textbook.

vii. Business Finance. A heavy emphasis is placed on the competencies of analysis and writing. Students are asked to do critical analysis of a Fortune 500 firm based on its financial statement. They also are required to do a semester-long research paper developing a hypothesis and conclusions.

viii. Investments. A semester-long inquiry paper with hypothesis and conclusions is also required.

ix. Money and Banking.

(1) Students are asked essay exam questions which require them to synthesize in-class discussion, current readings on topics in money and banking, and textbook discussion of contemporary questions pertaining to money and banking, e.g., the causes of the current savings and loans crisis in light of moral hazard and adverse selection problems, the role of financial innovation and deregulation in financial markets, etc.

(2) Students develop oral communication and thinking skills by means of an in-class presentation on a topic in money, banking, or financial markets. They are evaluated based on the content of the presentation; organization and clarity of the presentation; ability to give well-reasoned responses to questions from the instructor and classmates.

(3) Students develop written and oral communication skills and thinking skills by means of a research paper on a topic pertaining to financial intermediaries, monetary policy, or the international financial system.

x. World Poverty and Economic Development. The approach used in this course is that of a seminar; there is relatively little lecturing. Most class time is spent discussing material from the text and from assigned readings from a variety of journals and books. Students are required to be active in discussions since they are called upon randomly for answers to chapter end questions and since they are also required to participate in debating a
controversial development issue and present two papers, one on a particular third world country and the other on a particular development issue. This course places greater emphasis on writing, and articulating ideas orally than a typical lecture course.

xi. *Marketing/Management.* The class is divided into teams of three or four for the purpose of case problems with oral analysis and reports, and the Small Business Institute consulting project, which deals with an actual current marketing problem situation taken from small business in Santa Barbara. The students work as a team through the semester and provide an extensive report to the client and instructor at the end of the semester. In the project, students make marketing principles their own through the hands-on experience, thus reaching a level of learning and thinking that goes beyond rote memorization or simple application to analysis and synthesis.

xii. *Practicum.* Students are required to spend twelve to eighteen hours per week on the practicum position. Additionally, they have class presentations, both oral and written, as well as a requirement to read and report on a contemporary book on business.

xiii. *Entrepreneurship and New Venture Development.* The special student project in this course which requires creative work as well as analysis is to conceive a new venture and prepare a business plan that would carry out the new venture. Oral competency is also emphasized with an oral roundtable examination. Westmont has competed every year since the Fall of 1990, and this course has produced the following national semi-finalist teams:


2. 1995-1996. *Tough Dog Magazine,* by Russ Niedwick and Jason Darrow, competing against MBA and undergraduate teams from NYU, The Anderson School at UCLA, University of Georgia, University of Arizona, The Kellogg School at Northwestern, University of Michigan, CalTech, Indiana University, University of Nebraska, and the University of Texas (among others).


4. 1999-2000. *DiscFree Corporation,* by Chad Morgan, Alex Gayl, Seth Peterson, Ty Smith, and Emily Friesen, competing against teams from Univ. Arizona, Loyola Marymount, Univ Oregon, San Diego State, Univ. of Manitoba, etc...


2. What more should be done?

   a. The portfolios that students will accumulate over their years at Westmont should include a number of different kind of writing projects. This will provide added motivation to produce excellent work. Small Business Institute projects which involve analysis of a real life business problem, business plan competition work, senior papers, and various types of course papers could make up an impressive portfolio.

   b. We plan to launch a Senior paper--each member of the department will sponsor some honors projects or senior papers. Papers would be judged in a competition. This could possibly be a substitute for senior seminar and presented to the seminar. Prizes for top student work could be given. In the fall, students would work with faculty, give the paper in a presentation to faculty,
and in the Spring have symposium for all papers and top two or three presented in Senior seminar. This could be a substitute for or in addition to senior seminar.

c. We are developing a departmental writing guide based on one that Dr. Newton has used. We will be revising this guide based on the contributions of all department members and giving it to all majors.

d. The portfolio could be initiated at the meeting with frosh/sophs. After they are handed out in September of the second year, they would be required at every advising session thereafter. Included would be a resume’ to be improved over the years.

3. Other general strategies

a. We would benefit from an alumni survey to get a sense about how well alums are doing and how well they were prepared.

b. We want to continue to build our Fall alumni gathering. This has been a good time to share with alumni and current students.

Technology

1. Students use computers for email, web searches, word processing, and spreadsheets

2. Computer technology is extensively used as a teaching tool via a data projector and using Powerpoint, spreadsheets, and web sources.

3. Animated graphics via Powerpoint have been correlated with significantly higher student performance in several economics classes

4. Specific requirements in classes include:

a. Microsoft excel is used extensively in Quantitative Economics II for a wide variety of problems.

b. Microsoft excel is used in Corporate Finance for forecasting and financial ratio analysis.

c. Excel and Powerpoint in the entrepreneurship class.

d. Solo 6.0 is a statistical software package for statistical analysis cluster analysis, factor analysis, correlation, multiple regression.

e. Use the virtual stock exchange via the internet.

f. Written assignments are required to be done on a word processor.

g. Computer simulation of the economy is used in the Intermediate Macroeconomics class.

h. Graphic problems are required to be done on Excel in Intermediate Macroeconomics.

i. Computer tutorials are available for economics classes in the department lab.

j. Web sources are used for paper and debate topics.

5. Future strategies

a. We will guarantee that all students are literate in technology by including assignments requiring such in most department courses.

b. We are considering the possibility of making student mentors available to lower division students using upper division students. This could be offered at department majors meeting

c. Appropriate web sources will be put in the departmental writing guide.

d. All lower division courses should require spreadsheet assignments.

Active societal and intellectual engagement.

1. Effective group communication and cooperation are addressed in several experiences within the Economics and Business program:

a. SBI projects required in both the Management and Marketing courses. Students work in small groups to complete analysis of a real world business problem and write an extensive report making recommendations as to possible solutions.
b. Students work in teams to develop and write a business plan.
c. Students in the entrepreneurship classes visit four enterprise forums with business professionals and are required to interact with the business community.
d. Several courses require debates which are normally done in groups. An emphasis is placed on content but passion and civility are also valued.
e. Most students do practica which often require working in a group as well as responsibility for their work and learning. This is evaluated by both employer and professor.

2. Broad and expansive sympathies for those in confusion and suffering as well as the natural world are partly addressed by course work including World Poverty and Economic Development, courses that include discussion of environmental issues and by experiencing conditions in the third world through the Westmont in Asia program and other college and consortium programs.

3. Christian vocation is an issue addressed strongly in our Senior Seminar. See section b.x. above.

4. While most of our students do not directly participate in civic or charitable activity through our curriculum, they do step out into the business community in a variety of ways.
   a. Student consulting businesses in the SBI program.
   b. Creating business plans and presenting them to the local and national business community.
   c. Encourage participation in college wide debate
   d. Enterprise forums are visited once a month by students in the Entrepreneurship course.
   e. Practica/ internships

5. Assessment and evidence
   a. This is a difficult area to assess beyond exams, papers, and projects. Lifestyle issues such as expressing a sense of God’s call on one’s life, establishing Christian priorities with time management, and dealing with ethical issues of business are addressed and responded to in papers and class discussions.
   b. There should be a growing confidence expressed by student participation in debates about societal and business issues. This could be noted by faculty.
   c. A high percentage of our students do internships and are able to begin to establish engagement with society at that level.
   d. A high percentage of our students travel abroad for summer or semester programs. This contributes to a perspective on our society which helps them engage at a meaningful level.
   e. We also have many students who participate or lead mission projects in Mexico or other places. This helps them establish a lifestyle of service.

6. Additional goals
   a. We plan to do a field trip to World Vision or other mission agencies
   b. Focus on Christian mission in our departmental philosophy statement
   c. We have had a business club in the past but in recent years, students have not initiated interest in this. The club was a vehicle for bringing local business leaders to campus.