
Is the Economics Major Dying and, If so, Will Changes in Teaching Technology and Course Content Save It?

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The “Heart” Hook

In a recent article about how we teach, Kenneth Elzinga (2001) states, “I have the reputation as teaching tough courses but caring for my students. Part of my reputation for care comes from expenditures of time; part comes from simply signaling a willingness to care” (p. 256). Elzinga touches upon the most important learning hook of all, without which all other hooks in the learning wheel lose their effectiveness. I have read thousands of evaluation forms for my teaching assistants and consistently find that students’ perceptions of the learning experience are profoundly influenced by the perception of whether or not the instructor cares about them. We do not need to pamper students, but as we create inclusive classrooms and treat our students with respect and care, they become psychologically prepared to learn. More human literacy among economists will promote economic literacy.

In the majority of articles on pedagogy in our discipline, authors motivate the introduction of new teaching ideas with the need to increase majors and course enrollment or expand economic literacy. But if those reasons fail to provide sufficient inspiration, consider this: We are all economists because we appreciate and enjoy economics, but we are not all in our current positions because we love to teach. For economists who teach but do not find teaching to be particularly rewarding, chances are they have not yet experienced “genuine student engagement.” With a willingness to stretch one’s own understanding of content relevance, apply a variety of techniques, and prepare a classroom atmosphere ripe for learning, any instructor can teach the principles of economics well. As economists become better teachers, teaching becomes more fulfilling for economists, and economics becomes more fulfilling for students.

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Is the Economics Major Dying and, if so, Will Changes in Teaching Technology and Course Content Save It?

In his provocative article in the *Chronicle of Higher Education*, Professor Becker (2001) posits the “potential demise” of the undergraduate economics major and argues that unless the “dogmatic, inflexible, preachy teaching style” typically used by economists is jettisoned, the number of majors will likely continue to decline. Additionally, he argues the core of microeconomics principles courses needs to be reformed with apparently “uncool” topics (i.e., topics that have traditionally taken up much of the course) being replaced with “cool” topics (i.e., topics which reflect the contemporary interests of students). The one-two punches of preachy lectures on uncool topics are seen as delivering knockout blows to the economics major.

It is not clear to me that Professor Becker has made a strong case for the impending extinction of the economics major. As evidence of the forthcoming demise of the economics major, he cites a fall in the percentage of bachelor’s degrees in economics from 3.4% of all degrees awarded in 1950 to about 1.4% awarded in 1997–1998. The implication is that this is a secular decline, but it is not clear this is an entirely appropriate interpretation. As has been pointed out by Siegfried and Round (2001), among others, there have been several widely documented cyclical swings in the number of economics majors. A particularly sharp temporary drop occurred in the 1950–1955 period with smaller percentage declines occurring in the first half of the 1970s and in the 1992–1996 period. As noted by Siegfried (2002), the number of economics degrees awarded began to rebound in the 1996–1997 academic year

and has continued to rise since then. A variety of explanations, succinctly summarized in Siegfried and Round (2001), have been advanced to explain the cyclical swings in a number of majors, and variations in interest in business education seem to have some promise in explaining cyclical swings in economics majors, as may changes in the relative price of an economics degree. In earlier work, Margo and Siegfried (1996) argued that economics degrees as a percentage of all degrees have been mean reverting around 2.1–2.2% of all degrees from about 1950 to around the mid-1990s. Thus, it is not evident that a strong secular decline in the number of majors has actually occurred.

But suppose we assume that there has been something of a downward shift in the mean number of economics degrees as a percentage of all degrees so that the average share of majors around which cyclical fluctuations occur is lower today than in the 1950s and 1960s. Is it plausible that a secular decline in the percentage of all degrees awarded is a self-inflicted wound that is the result of the profession's obstinate refusal to adopt "teaching innovations" and to reformulate the core of our principles and intermediate courses? Perhaps, but there are other explanations that seem more plausible. For example, it is not inconceivable that a secular decline is related to the expansion in the number of business degree programs in the 1950s and 1960s, which created an essentially one-time downward shift in economics' share of undergraduate degrees as reluctant economics majors switched to a preferred business major.

Another explanation that is important to me and many of my colleagues is that economics departments have been more successful in maintaining high academic standards than have many of the other departments in business schools and in the social science area. Economics courses are typically more demanding in terms of technical proficiency required for success than are most other courses in the business school or social sciences. Economists seem to be harder taskmasters than faculty in many other areas. Consequently, grade-point averages in economics courses are often substantially lower than in courses offered by other departments in the business area or in the social sciences. Siegfried and Round (2001) cite evidence from an earlier study by Sabot and Wakeman-Linn (1991) that grading standards affect the number of economics majors. Adherence to strict grading standards by economics departments while other departments loosen their standards would help explain a secular drop in economics majors as a share of total majors. This secular effect is plausible even though the evidence summarized in Siegfried and Round (2001) does not find much effect of fluctuations in the price of an economics degree on cyclical variations in economics majors, a finding which seems reasonable because it is not likely that grading standards or curriculum requirements in economics departments fluctuate that much from year to year.

What about the argument that the teaching style of economists repels students and that we could increase our majors by adopting teaching innovations that, as we are told by Becker and Watts (2001), are widely used elsewhere in the university? Suppose it is the case that we have lost majors to other disciplines that have adopted newer teaching technologies. Is it necessarily the case that this migration is driven purely by a more appealing teaching style, or might it not be the case that the newer teaching technologies are associated with less rigorous classes and perhaps more opportunity to free ride in the expanded use of group projects sometimes associated with these innovations? In the latter view, adopting newer teaching technologies may be accompanied by grade inflation, so that the migration to disciplines adopting teaching innovations might really reflect response to relative prices. Because I am not familiar with the economics education literature, I do not know whether this observational equivalence problem has been investigated, but if not it might be an interesting question to explore. Further skepticism about the teaching technology explanation comes from the experience in the 1990s in which the number of economics degrees awarded fell but then began to rebound in the 1996–1997 period, and it has continued to rise to the present even though teaching methods used by most economists, as documented by Becker and Watts (2001), did not change from the early 1990s to 2000.

Although adherence to the traditional lecture style in economics courses has been widely documented, to my limited knowledge there has been relatively little exploration of why this is so, other than to state that the benefits of continuing to use the lecture style must outweigh the costs. Perhaps one element in this calculus of choice of teaching method is a concern about the implications of adopting new technologies for student understanding. There is an impression among those of us who are more likely to read Thomas Sowell than journals popular in colleges of education that the teaching innovations introduced in public elementary and secondary education have not resulted in superior outcomes relative to older teaching technologies. Compared with 20 or 30 years ago, there are more students taking remedial courses because basic skills formerly taught in elementary and secondary schools have diminished. There are also more students today with the attitude that education should be part of the entertainment industry. Although there are, no doubt, other contributing factors to the rise in remediation and change in attitude toward the process of education, I do not believe alternative teaching technologies have delivered the great outcomes promised by the advocates of alternative technologies.

Should the core of the undergraduate principles course be radically revamped? I confess that over the past 20 years, I have spent relatively little time worrying about the principles course and its content. More recently, I have become involved in supervising teaching assistants and instructors who teach macro principles and money and banking. I have not looked closely at the content of micro principles in a long time. There are a number of excellent macro principles and money and banking books that are up-to-date and that apply the models developed to both important historical events and more current events. Many books also have associated websites which sometimes provide timely applications of models to recent events. The expanded number of case studies is a welcome addition to these books, as is the increasing coverage of international topics.

Because Professor Becker focused most of his attention on micro principles and its apparent failure to include so-called cool topics in the material covered, I spent some time looking at the coverage of topics in micro principles. My impression is that these books are very well done with frequent applications of models to contemporaneous issues and events, and it appears to me that many of today's micro principles texts do a very good job introducing students to the economics of imperfect information. To be sure, the topics listed by Professor Becker are very interesting, but it is not clear to me how they can be understood by students if the students do not have a good grasp of the core of traditional micro principles. In arguing for a reorientation of micro principles, Professor Becker argues that "Bright students, however, recognize the shortcomings of simplistic analysis, rightly dismiss it as irrelevant, but then wrongly dismiss all of economics with it." Perhaps I do not fully appreciate the native understanding of economics by students, but it seems to me that they often misperceive their understanding of economics, frequently believing things that are not so, and that one of the goals of our courses is to persuade them of their misunderstanding and to demonstrate the power of relatively simple models in analyzing a variety of economic phenomena. To me, mastery of relatively simple models is important to have before more difficult concepts are tackled. The colleagues specializing in microeconomics with whom I have discussed this agree that the topics listed by Professor Becker are quite interesting but are better treated in more advanced courses.

The bottom line is that I am skeptical that changing teaching styles and reorienting the content of principles courses will generate a substantial increase in economics degrees as a share of total degrees, as long as the same level of rigor is maintained in the material presented and as long as grading standards are maintained. My interpretation of Professor Becker's article is that he does not believe that the current style of teaching and content of our principles courses any longer constitutes good teaching and that a marked change in content and method of delivery is required for good teaching.

Good teaching should help attract majors and is, of course, to be encouraged, but I think Elzinga's (2001) Thesis #14 on classroom teaching is right on target. This thesis states: "Good Teaching Requires No Radical Change in Curriculum; No Special Flair that the Teacher Must Possess; and I Know of No Evidence that It Requires Changes in Educational Technology" (p. 257). The other theses expounded by Elzinga are thought-provoking as well.

If changes in teaching technology and content (along with other factors such as level of rigor and grading standards) are unlikely to substantially increase economics majors, are there other changes that might be made to increase our share of majors and degrees? It may be that economics is the "Marine Corps" of the business school and school of social sciences; because of the difficulty of the material and the high standards to which students are held, we may be destined to have only a relatively few good students as our majors. I know of no magical ways to increase the appeal of our discipline to undergraduates. However, some departments have had success in expanding the number of majors by offering joint degree programs, and it strikes me that we have not done a very good job in convincing students that an economics degree is good preparation for a broad range of careers and that the rate of return to studying economics compares favorably with other business school majors. A recent paper by Black, Sanders, and Taylor (2002) clearly documents the relatively high rate of return earned by economics majors, and presenting evidence of this nature might be the single best way to increase the "sex appeal" of majoring in economics.

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Keeping Economics from Becoming a Sexy Social Science

We were invited to comment on William Becker's December 7, 2001, *Chronicle of Higher Education* essay entitled "How to Make Economics the Sexy Social Science." Although we aim to be helpful, no one should expect two cynical old economists to stick strictly to a standard of constructive comments.

1. Becker's Alarmist Statistics

We have little quarrel with Becker's conclusion that economics is taught poorly in American colleges and universities. However, we do not believe that either the declining share of undergraduate economics majors or the persistently high proportion of class time devoted to lecturing by economics faculty constitutes evidence in support of that conclusion.

First, consider ebbs and flows of economics degrees. Most of the decline in the share of degrees held by economics since 1948 occurred in the 1950s. By the mid-1950s, the proportion of undergraduate degrees accounted for by economics had settled near its long-term equilibrium (Margo and Siegfried 1996) of just over 2%. After a substantial decline in the 1970s, steady growth brought the proportion back to 2.1% by 1992. Then a precipitous descent occurred, the share dropping from 2.1 to 1.4% in just four years. It has, however, rebounded since the 1996 trough and now appears (Siegfried 2002) on track to replicate previous slow but steady recoveries after negative shocks (Margo and Siegfried 1996).