University of Hawaii at Hilo  
College of Business and Economics  
Department of Business Administration and Economics  

Note: As of Fall 2016, the Department of Economics has been integrated into the Department of Business and is no longer existent. Nonetheless, this Self-Study reviews the Department of Economics and its program, because the current Program Review covers the period from Fall 2007 through Spring 2016 when the Department of Economics was in charge of the program. Unless stated otherwise, the Department below refers to the Department of Economics, not of Business.

**Part I: Executive Summary**

1. The number of Economics majors has been stable around 30 over the 2007-2015 period, with the highest of 40 (2010/11) and the lowest of 27 (2009/10, 2014/15), compared to around 26 over the 2001-2007 period. The number of Economics minors has been around 7 during the same period, with the highest of 11 (2008/09) and the lowest of 2 (2014/15).

2. Although the number of Economics majors have been stable, the number of student semester hours has declined during the same period. The number of the degrees granted has also declined in recent years.

3. The Department offers a variety of courses, some of which are theory-oriented, while others emphasize empirical approaches. The results of the Educational Testing Service Major Field Test show that our students’ proficiency has been on or above the participating school average in the past 13 out of 15 semesters.

4. Since the previous Review, the Department has newly established two certificate programs: Certificate in Asia-Pacific-US Economic Relations and Graduate Certificate in Global Economics and Sustainability. The Department has served degree/minor/certificate programs in other disciplines such as Business Administration, Finance, International Studies, and Healthcare Leadership. It has also provided several courses for General Education.

5. Faculty research outputs have been strong both quantitatively and qualitatively, including various publications jointly written with undergraduate and graduate students. The Economics faculty have also extensively engaged in service activities both inside and outside the University.

6. From Fall 2017 through Spring 2022, the admission of new students into the B.A. in Economics will be suspended and stopped out. Concurrently, a new track in B.B.A. that concentrates on Economics will be established and offered. This track will put more emphasis on business-related disciplines than the current B.A. in Economics. The curriculum for the track will be designed accordingly.

**Part II: Mission and Goals**

**Mission of the Department**

The Department states its mission as follows:

“The mission of the UH Hilo Economics Department is to assist individuals in acquiring the knowledge and skills necessary for sound decision-making in their personal and professional lives.”

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1 URL: [http://hilo.hawaii.edu/catalog/economics](http://hilo.hawaii.edu/catalog/economics).
The Department serves students and communities of the Island and State of Hawai‘i, as well as students from the North American mainland and the Asia/Pacific region.”

The mission of the Department is closely allied with the missions of the College of Business and Economics (CoBE)\(^2\) and of the University of Hawai‘i at Hilo (UHH).\(^3\) Our course offerings support CoBE’s mission “to assist individuals in acquiring the knowledge, attitudes and skills needed to be productive and responsible citizens in the global economy” and UHH’s mission “to challenge students to reach their highest level of academic achievement by inspiring learning, discovery and creativity inside and outside the classroom.” We also support the UHH strategic plan objectives by offering courses on the Hawaiian and Asian economies. Overall, the Economics program provides both majors and non-majors with the information about the structure and operation of various economic systems, promoting well-informed and responsible citizenship.

**Goals for Student Learning in the Major**

The goals for student learning in the major are articulated as:

“Upon graduating with a B.A. degree in Economics, students should be able to:

- Correctly explain contemporary economic theories.
- Synthesize contemporary economic theory and other applicable information into analyses of real-life situation and contexts.
- Demonstrate problem-solving in demand-supply of economic agents using quantitative reasoning.
- Effectively communicate (orally and in written prose).”

Economics-major graduates should be well prepared for admission to graduate programs/schools especially in Economics, Business, and Law among Social Sciences. They should also be ready for pursuing careers in general business, the financial industry, the government sector, primary/secondary education, and NGOs.

**Part III: Program Organization**

The Department regularly offers the following 18 courses:\(^4\)

- Econ100: Introductory Economics. (every semester)
- Econ130: Introductory Microeconomics. (every semester)
- Econ131: Introductory Macroeconomics. (every semester)
- Econ300: Intermediate Macroeconomic Theory. (every year)
- Econ301: Intermediate Microeconomics. (around every two years)
- Econ302: Managerial Economics. (around every two years)
- Econ310: Economic Development. (every year)
- Econ330: Hawaiian Economy. (every two years)
- Econ340: Money & Banking. (every semester)
- Econ360: International Trade & Welfare. (every year)
- Econ361: International Finance. (every year)


- Econ370: Government Finance. (every year)
- Econ380: Natural Resource & Environmental Economics. (every year)
- Econ390: Econometrics. (every two years)
- Econ414: Global Topics in Game Theory. (every a few years)
- Econ415: Asia-China Economic Relations. (every two years)
- Econ416: Asia-Pacific Economic Integration. (every two years)
- Econ430: Quantitative Forecasting. (every two years)

In addition, the Department has experimentally offered three special courses:

- Econ394: Game Theory. (Spring 2009)
- Econ394: Economics & Politics. (Fall 2010)
- Econ394: Federal Reserve & Monetary Policy. (Spring 2011)

With these courses, the Department grants B.A. in Economics, minor in Economics, and certificate in Asia-Pacific-US Economic Relations that are elaborated below:

**B.A. in Economics**

The requirements for B.A. in Economics consist of those in General Education (GE) and in Economics as a major. The GE requirements, comprising 46-52 credits, apply broadly to bachelor’s degrees of the University. The Economics-major requirements consist of its core and three tracks. For the completion of the degree’s requirements, a student can flexibly choose one of the three tracks.

- **Core Requirements** (6 courses/18 credits): Math121 (Introductory Statistics & Probability) or QBA260 (Business Statistics); Math115 (Applied Calculus) or Math205 (Calculus I); Econ130; Econ131; Econ300; Econ301 or Econ302.
- **Track Requirements** (6 courses/18 credits):
  - Sustainable Development Track: Econ310, 380, 390, and three more courses coded Econ300+.
  - International Track: Econ360, 361, 416, and three more courses coded Econ300+.
  - Quantitative Track: Math206, 311, Econ390, and three more courses coded Econ300+.

**Four-Year Map for Majors**

A sample plan for a major with the Sustainable Development Track appears in Table 3-1. Two other tracks also have similar plans.

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5 URL: [http://hilo.hawaii.edu/catalog/ba_econ](http://hilo.hawaii.edu/catalog/ba_econ), The requirements appear in Appendix A.
6 The GE requirements include: Composition (3); Language Arts (3); Quantitative Reasoning (6); World Culture (6); Humanities (6); Social Science (6); Natural Science (4); Writing Intensive (3-9); Hawaii Pan-Pacific (3); Global and Community Citizenship (3). URL: [http://hilo.hawaii.edu/academics/gened/](http://hilo.hawaii.edu/academics/gened/).
### Table 3-1: Plan for a Major with Sustainable Development Track.

<table>
<thead>
<tr>
<th>Freshman</th>
<th>Sophomore</th>
<th>Junior</th>
<th>Senior</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fall</td>
<td>Spring</td>
<td>Fall</td>
<td>Spring</td>
</tr>
<tr>
<td>Math104F</td>
<td>QBA260</td>
<td>Math115 or 205</td>
<td>Econ301</td>
</tr>
<tr>
<td>(GE QR I)</td>
<td>(GE NS I)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econ130</td>
<td>Econ131</td>
<td>Econ300</td>
<td>WI upper</td>
</tr>
<tr>
<td>(GE SS I)</td>
<td>(GE QR II)</td>
<td>GE NS II</td>
<td></td>
</tr>
<tr>
<td>GE WC I</td>
<td>GE WC II</td>
<td>GE SS II</td>
<td>WI</td>
</tr>
<tr>
<td>GE Hum I</td>
<td>Eng100 (GE Com)</td>
<td>GE HPP</td>
<td>GE Lan</td>
</tr>
<tr>
<td>elective</td>
<td>elective</td>
<td>WI</td>
<td>GE Hum II</td>
</tr>
</tbody>
</table>

**Note:** GE = General Education; QR = Quantitative Reasoning; SS = Social Science; WC = World Culture; Hum = Humanities; NS = Natural Science; Com = Composition; HPP = Hawaii Pan-Pacific; WI = Writing Intensive; Lan = Language; GCC = Global & Community Citizenship.

### Minor in Economics

The minor in Economics requires 6 courses (18 credits) that include Introductory Microeconomics (Econ130), Introductory Macroeconomics (Econ131), and at least one course from each of the following two blocks:

- Block I (Microeconomics): Econ301, 302, 360, 370, 380.
- Block II (Macroeconomics): Econ300, 310, 340, 361.

### Certificate in Asia-Pacific-US Economic Relations

The certificate in Asia-Pacific-US Economic Relations requires 8 courses (24 credits) that include Introductory Microeconomics (Econ130) and Introductory Macroeconomics (Econ131)\(^\text{11}\) as well as:

- Two (theory) courses from Econ360, 361, 380, 430.
- One (empirical) course from Econ330, 415, 416.

### Graduate Certificate in Global Economics and Sustainability

The graduate certificate in Global Economics and Sustainability requires at least 6 courses (18 credits), consisting of core and elective requirements. Its prerequisite is senior standing in any baccalaureate degree.

- Certificate Core: 3 courses (9 credits) from the following four:
  - GECS630: Business Ethics of Sustainability.
  - GECS640: Global Sustainable Trade.
  - GECS641: Global Environmental Issue.
  - GECS695: Global Sustainable Finance.
- Elective: 3 courses (9 credits) that include one from GECS, CBES, and NURS and one from FIN, MGT, MKT, ECON, ENSC, PHIL, HIST below.

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\(^11\) Upon the Department Chair’s approval, Econ131 can be replaced with Introductory Economics (Econ100).
The Department provides the following courses to the General Education program:

- Econ131, 340 (Basic Requirement - Quantitative Reasoning).
- Econ 100, 130, 131, 340, 416 (Area Requirement - Social Science).
- Econ 330, 340, 415, 416 (Integrative Requirement - Writing Intensive).
- Econ330, 416 (Integrative Requirement - Hawaii Pan-Pacific).

Service Courses for Other Programs

The Economics courses utilized for other programs appear below:

- Econ130, 131, and either Econ330 or 340 as requirements for B.B.A.
- Econ130 as a requirement for Finance certificate.
- Econ100 as a requirement for International Studies, International Relations Concentration.
- Econ310, 360, 380 as electives for International Studies, Tourism Concentration.
- Econ430 as an elective for Professional Certificate in Healthcare Leadership.

AACSB Accreditation

The Department contributes to CoBE’s accreditation of the Association to Advance Collegiate Schools of Business (AACSB), or the highest level of professional and academic accreditation in the world for Business related programs.
Delta Sigma Pi

Economics majors are eligible for nomination to the Lambda Psi chapter of the Delta Sigma Pi national professional business fraternity. The fraternity provides many opportunities for community, professional, and social activities.

Part IV: Program Quality

Table 4-1 summarizes the Department’s quantitative data regarding majors, minors, student semester hours, class sizes, and costs.

Table 4-1: Quantitative Indicators.12

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td># Major</td>
<td>28</td>
<td>31</td>
<td>27</td>
<td>40</td>
<td>32</td>
<td>34</td>
<td>30</td>
<td>27</td>
<td>28</td>
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<tr>
<td># Minor</td>
<td>9</td>
<td>11</td>
<td>9</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>9</td>
<td>2</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td># Cert APUSER</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td># SSH (Fall)</td>
<td>1101</td>
<td>1053</td>
<td>996</td>
<td>837</td>
<td>817</td>
<td>717</td>
<td>705</td>
<td>672</td>
<td>585</td>
<td></td>
</tr>
<tr>
<td># FTE (Fall)</td>
<td>73</td>
<td>70</td>
<td>66</td>
<td>56</td>
<td>54</td>
<td>48</td>
<td>47</td>
<td>45</td>
<td>39</td>
<td></td>
</tr>
<tr>
<td>% FTE own major</td>
<td>15.8%</td>
<td>16.0%</td>
<td>12.3%</td>
<td>23.7%</td>
<td>25.5%</td>
<td>20.1%</td>
<td>19.6%</td>
<td>18.8%</td>
<td>22.6%</td>
<td></td>
</tr>
<tr>
<td>% FTE w/in CoBE</td>
<td>39.8%</td>
<td>41.6%</td>
<td>44.6%</td>
<td>36.6%</td>
<td>40.0%</td>
<td>44.4%</td>
<td>44.3%</td>
<td>49.1%</td>
<td>55.4%</td>
<td></td>
</tr>
<tr>
<td>% FTE all others</td>
<td>44.4%</td>
<td>42.5%</td>
<td>43.1%</td>
<td>39.8%</td>
<td>34.5%</td>
<td>35.6%</td>
<td>36.2%</td>
<td>32.1%</td>
<td>22.1%</td>
<td></td>
</tr>
<tr>
<td>% FTE WI</td>
<td>5.4%</td>
<td>3.1%</td>
<td>6.6%</td>
<td>7.5%</td>
<td>30.5%</td>
<td>17.2%</td>
<td>23.8%</td>
<td>8.9%</td>
<td>27.7%</td>
<td></td>
</tr>
<tr>
<td>% FTE GE</td>
<td>75.2%</td>
<td>75.5%</td>
<td>78.9%</td>
<td>73.5%</td>
<td>75.6%</td>
<td>79.9%</td>
<td>82.6%</td>
<td>75.4%</td>
<td>73.8%</td>
<td></td>
</tr>
<tr>
<td># SSH CoBE</td>
<td>3,420</td>
<td>3,600</td>
<td>3,456</td>
<td>3,318</td>
<td>3,344</td>
<td>3,120</td>
<td>2,871</td>
<td>3,120</td>
<td>2,850</td>
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</tr>
<tr>
<td>% SSH Econ/CoBE</td>
<td>32.2%</td>
<td>29.3%</td>
<td>28.8%</td>
<td>25.2%</td>
<td>24.4%</td>
<td>23.0%</td>
<td>24.6%</td>
<td>21.5%</td>
<td>20.5%</td>
<td></td>
</tr>
<tr>
<td># SSH UHH</td>
<td>44,667</td>
<td>47,432</td>
<td>50,539</td>
<td>52,268</td>
<td>52,400</td>
<td>52,834</td>
<td>51,591</td>
<td>50,563</td>
<td>48,497</td>
<td></td>
</tr>
<tr>
<td>% SSH Econ/UHH</td>
<td>2.46%</td>
<td>2.22%</td>
<td>1.97%</td>
<td>1.60%</td>
<td>1.56%</td>
<td>1.36%</td>
<td>1.37%</td>
<td>1.33%</td>
<td>1.21%</td>
<td></td>
</tr>
<tr>
<td>Ave class size</td>
<td>24</td>
<td>25</td>
<td>25</td>
<td>20</td>
<td>23</td>
<td>17</td>
<td>16</td>
<td>22</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td># FTE FT fac</td>
<td>2.75</td>
<td>2.75</td>
<td>2.75</td>
<td>3.00</td>
<td>2.75</td>
<td>3.00</td>
<td>2.75</td>
<td>1.50</td>
<td>2.25</td>
<td></td>
</tr>
<tr>
<td># FTE adj fac</td>
<td>1.00</td>
<td>0.75</td>
<td>0.50</td>
<td>0.50</td>
<td>0.25</td>
<td>0.50</td>
<td>1.00</td>
<td>1.00</td>
<td>0.50</td>
<td></td>
</tr>
<tr>
<td>% SSH by FT fac</td>
<td>73.3%</td>
<td>78.6%</td>
<td>84.6%</td>
<td>85.7%</td>
<td>91.7%</td>
<td>85.7%</td>
<td>73.3%</td>
<td>60.0%</td>
<td>81.82%</td>
<td></td>
</tr>
<tr>
<td>% SSH by adj fac</td>
<td>26.7%</td>
<td>21.4%</td>
<td>15.4%</td>
<td>14.3%</td>
<td>8.3%</td>
<td>14.3%</td>
<td>26.7%</td>
<td>40.0%</td>
<td>18.18%</td>
<td></td>
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<tr>
<td>FTE stud-fac ratio</td>
<td>20</td>
<td>20</td>
<td>20</td>
<td>16</td>
<td>18</td>
<td>14</td>
<td>13</td>
<td>18</td>
<td>14</td>
<td></td>
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<tr>
<td># degree</td>
<td>7</td>
<td>10</td>
<td>10</td>
<td>13</td>
<td>8</td>
<td>16</td>
<td>10</td>
<td>6</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>% major graduating</td>
<td>25.0%</td>
<td>32.3%</td>
<td>37%</td>
<td>32.5%</td>
<td>25.0%</td>
<td>47.1%</td>
<td>33.3%</td>
<td>22.2%</td>
<td>17.9%</td>
<td></td>
</tr>
<tr>
<td># HI graduate</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td># minor/certificate</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget ($)</td>
<td>459,452</td>
<td>421,386</td>
<td>452,892</td>
<td>382,247</td>
<td>421,347</td>
<td>447,672</td>
<td>517,881</td>
<td>449,211</td>
<td>586,886</td>
<td></td>
</tr>
<tr>
<td>Cost per SSH ($)</td>
<td>205.30</td>
<td>208.40</td>
<td>226.33</td>
<td>234.22</td>
<td>259.93</td>
<td>327.25</td>
<td>365.48</td>
<td>321.32</td>
<td>396.81</td>
<td></td>
</tr>
</tbody>
</table>

Note: Cert APUSER = Certificate of Asia-Pacific-US Economic Relations; SSH = Student Semester Hours; FTE = Full-Time Equivalent (SSH/15); FT fac = Full-Time faculty; adj fac = adjunct faculty.

12 The data on Table 4-1 is taken from: http://hilo.hawaii.edu/uhh/iro/UHHiloProgramReview.php.
From Table 4-1, the following facts or trends can be interpreted:

- Roughly 20% of students in Economics courses have been own majors (% FTE own major).
- Roughly 75% of teaching have been done by full-time faculty (% SSH by FT fac).
- There is no clear change in the number of majors (# Major), average class size (Ave class size), but there seems a decline in the number of degrees granted (# degree) in last two years.
- There seems a systematic decline in the number of student semester hours (# SSH). Accordingly, the number of full-time equivalent (# FTE) and the student-faculty ratio (FTE stud-fac ratio) have declined. This trend remains even after controlling for the University-wide change in SSH (% SSH Econ). This decline may be associated with a decline in enrollments by non-CoBE students (% FTE all others) and also possibly with an increase in WI courses (% FTE WI) on the grounds that WI courses have a smaller capacity. (Average class size looks smaller when % FTE WI is larger.)

Table 4-2 shows the distribution of expected grades in each of the Economics Department, CoBE, and UHH. The data is taken from Question 17 of the Faculty/Course Evaluation Results in Spring 2014. It can be seen that the grading of Economics courses are, as perceived by students, much tougher than other courses in CoBE and in UHH as a whole. This may be a causal factor of low Economics-major counts.

Table 4-2: Distribution of Expected Grade in Spring 2014.

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>F</th>
<th>Blank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economics</td>
<td>27.4%</td>
<td>40.0%</td>
<td>27.4%</td>
<td>3.7%</td>
<td>0.5%</td>
<td>0.9%</td>
</tr>
<tr>
<td>CoBE</td>
<td>31.0%</td>
<td>45.5%</td>
<td>20.4%</td>
<td>2.2%</td>
<td>0.5%</td>
<td>0.3%</td>
</tr>
<tr>
<td>UHH</td>
<td>48.1%</td>
<td>36.4%</td>
<td>13.1%</td>
<td>1.6%</td>
<td>0.4%</td>
<td>0.4%</td>
</tr>
</tbody>
</table>

Part V: Student Learning Assessment

Since 1997, the Department had participated in the Educational Testing Service (ETS) Major Field Test in Economics to evaluate the learning of Economic majors. However, in 2008 it decided to terminate the participation because very few students took the Test. Alternatively, we adopt two distinct approaches to the student learning assessment shown below:

- To use the Curriculum Matrix proposed in the University’s Academic Program Review Guidelines. By mapping the program’s courses onto its objectives, this approach can evaluate how the program’s courses are useful for its learning objectives.
- To use the Economics part of ETS Major Field Test in Bachelor’s in Business taken by students in MGT490. Because these students are mostly Business majors, the latter approach is suitable for assessing the learning of non-Economics majors who completed Econ130 (Introductory Microeconomics) and Econ131 (Introductory Macroeconomics).

Assessment of Economics Courses by Curriculum Matrix

13 Question 17 asks: “What grade do you expect to receive in this course?” The data is taken from Spring 2014 because it is the most recent semester when no full-time faculty member is on leave.
URL: https://www3.uhh.hawaii.edu/uhh/iro/facultyevals/.
14 Only two students took the Test in 2007, and one did in 2008.
16 URL: https://www.ets.org/mft/about/content/bachelor_business. According to the Test’s description, up to 13% of the Test are from Economics.
The Curriculum-Matrix approach aligns a program’s courses with its learning objectives. The Economics program’s learning outcomes/objectives are: 17

1) Effectively employ scientific methods to explain contemporary economic theories.
2) Master topical knowledge in three different economic tracks.
3) Correctively apply economic theory and available data into explaining real life economic situations using quantitative reasoning with critical thinking.
4) Successfully develop communication skills.

Table 5-1 shows how the Economics courses are associated with the learning objectives.

**Table 5-1: Curriculum Matrix.**

<table>
<thead>
<tr>
<th>Course</th>
<th>Representative Instructor</th>
<th>Required, Elective, or Track</th>
<th>Objective 1 (Theory)</th>
<th>Objective 2 (Topic)</th>
<th>Objective 3 (Application)</th>
<th>Objective 4 (Communication)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Econ100: Intro Econ</td>
<td>Nakao</td>
<td>Gen Ed Intro</td>
<td>Intro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econ130: Intro Micro</td>
<td>Nakao</td>
<td>Req Intro</td>
<td>Intro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econ131: Intro Macro</td>
<td>Thompson</td>
<td>Req Intro</td>
<td>Intro</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econ300: Inter Macro</td>
<td>Thompson</td>
<td>Req Inter</td>
<td>Inter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econ301: Inter Micro</td>
<td>Nakao</td>
<td>Req Inter</td>
<td>Inter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econ302: Manag Econ</td>
<td>Vu</td>
<td>(either)</td>
<td>Inter</td>
<td>Theory</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Econ310: Econ Dev</td>
<td>Nakao</td>
<td>Dev Trk</td>
<td>Adv Trk Req</td>
<td>Theory</td>
<td>Oral Pres</td>
<td></td>
</tr>
<tr>
<td>Econ330: Hawaii Econ</td>
<td>Vu</td>
<td>Elec Dev-Trk</td>
<td>Adv Trk Req</td>
<td>Theory</td>
<td>Oral Pres</td>
<td></td>
</tr>
<tr>
<td>Econ360: Intl Trade</td>
<td>Im</td>
<td>Intl Trk</td>
<td>Adv Trk Req</td>
<td>Theory</td>
<td>Trm Papr</td>
<td></td>
</tr>
<tr>
<td>Econ361: Intl Fin</td>
<td>Im</td>
<td>Intl Trk</td>
<td>Adv Trk Req</td>
<td>Theory</td>
<td>Trm Papr</td>
<td></td>
</tr>
<tr>
<td>Econ370: Gov Fin</td>
<td>Thompson</td>
<td>Elec Dev-Trk</td>
<td>Adv Trk Req</td>
<td>Theory</td>
<td>Trm Papr</td>
<td></td>
</tr>
<tr>
<td>Econ380: Env Econ</td>
<td>Im</td>
<td>Dev-Trk</td>
<td>Adv Trk Req</td>
<td>Theory</td>
<td>Trm Papr</td>
<td></td>
</tr>
<tr>
<td>Econ390: Econometrics</td>
<td>Vu</td>
<td>Dev/Qnt Trk</td>
<td>Adv Trk Req</td>
<td>Data</td>
<td>Trm Papr</td>
<td></td>
</tr>
<tr>
<td>Econ414: Game Theory</td>
<td>Nakao</td>
<td>Elec Dev-Trk</td>
<td>Adv Trk Req</td>
<td>Data</td>
<td>Trm Papr</td>
<td></td>
</tr>
<tr>
<td>Econ415: Asia-Chn Rel</td>
<td>Vu</td>
<td>Elec Dev-Trk</td>
<td>Adv Trk Req</td>
<td>Data</td>
<td>Trm Papr</td>
<td></td>
</tr>
<tr>
<td>Econ416: Asia-Pac Integ</td>
<td>Vu</td>
<td>Intl Trk</td>
<td>Adv Trk Req</td>
<td>Data</td>
<td>Trm Papr</td>
<td></td>
</tr>
</tbody>
</table>

Note: Gen Ed = General Education; Req = Required; Elec = Elective; Dev Trk = Development Track; Intl Trk = International Track; Qnt Trk = Quantitative Track; Intro = Introductory; Inter = Intermediate; Adv = Advanced; Trk Req = Track Required; Elec = Elective; Oral Pres = Oral Presentation; WI = Writing Intensive; Trm Papr = Term Paper.

Among these courses, Econ302, Econ415, and Econ416 serve the rubrics for Quantitative and Scientific Reasoning, Information Literacy, and for Written Communication, respectively. 18

17 URL: [http://hilo.hawaii.edu/catalog/economics](http://hilo.hawaii.edu/catalog/economics).
18 Appendix F of the Academic Program Review Guidelines.
Despite the fact that the Department has only three full-time faculty, it is successful in offering a variety of courses—well-balanced between theory and application—that can attract students with diverse interests. This is in part because the three full-time faculty have different subfields of expertise, but more importantly because the Department relies heavily on part-time lecturers. Since Hammes retired in December 2013, The Department has offered 57 sections, among which 21 sections were taught by part-time lecturers.\textsuperscript{19}

**Assessment of Non-Economics Majors by ETS Major Field Test**

The ETS Major Field Test in the Bachelor’s Degree in Business has been taken by students in MGT490 at the end of every semester. An examinee’s understanding of basic concepts and theories in Economics is presumably reflected in his/her score of the Test’s Economics part.

Figure 5-1 shows CoBE’s average scores and the nation’s scores of the Test’s Economics part in successive semesters. It reveals that CoBE outperforms the national average in most of the semesters. It seems not an exaggeration to conclude that the program’s learning objectives are reasonably met at the introductory levels.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure5-1.png}
\caption{Comparison of ETS Test scores between CoBE and the nation.}
\end{figure}

**Part VI: Faculty Quality**

Since the previous Program Review of 2006/07, the faculty of the Department have been actively engaged in research, service, and community activities.\textsuperscript{20}

**Research**

\textsuperscript{19} The ratios of sections taught by lecturers were: 2/11 in Spring 2014; 4/10 in Fall 2014; 6/12 in Spring 2015; 2/11 in Fall 2015; (7/13) in Spring 2016. These ratios were affected by faculty sabbatical leaves (Fall 2014-Spring 2015 by Nakao; Spring 2016 by Im).

\textsuperscript{20} The faculty’s curriculum vitae are attached at the end of this document.
Our research outputs, summarized in Table 6-1, are strong both quantitatively and qualitatively. Since the previous Review, the three faculty have published 41 refereed articles whose outlets include (very) reputable ones in their fields such as *Journal of Peace Research*, *Economics Letters*, *Journal of Theoretical Politics*, *Economics & Politics*, and *B.E. Journal of Economic Analysis & Policy* among others. Publications include those jointly written with undergraduate and graduate students. As of 2016, all three incumbent faculty members of the Department maintain the Scholarly Academics status defined by CoBE’s policies for the AACSB re-accreditation.21

Table 6-1: Research outputs since the previous Program Review in 2007.

<table>
<thead>
<tr>
<th></th>
<th>Refereed article</th>
<th>Book chapter</th>
<th>Monograph</th>
<th>Working Paper</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hammes22</td>
<td>4</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Im</td>
<td>21</td>
<td>0</td>
<td>0</td>
<td>4</td>
</tr>
<tr>
<td>Vu</td>
<td>31</td>
<td>0</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td>Nakao23</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

In addition, two out of three faculty members work as graduate faculty for the China-US Relations program as well as for the Economics Department at the University of Hawaii at Manoa. They serve as chairs of several master’s thesis and doctoral dissertation committees.

Service Activities

Below is the list of the faculty’s service activities outside the University:

- Senior Advisory Board, *APEC Journal of Social Sciences*, 2008 -2013. (Im)
- Committee Member, *Taniguchi Excellence and Innovation Award Committee*, Spring 2013. (Vu)
- Conference Co-Chair, *Global Business and Economic Development International Conference*, Fall 2011. (Vu)
- Panel Member, *National Educator Association Advisory Panel*, 2012-present. (Vu)
- Committee Member, *7th IEEE International Conference on Social Computing and Networking*, 2014. (Nakao)

21 Policies to Categorize Faculty Members as Scholarly Academics (SA), Practice Academics (PA), Scholarly Practitioners (SP), and Instructional Practitioners (IP). According to the Policies, “Normally, at least 40% of the faculty resources in an accredited academic unit must have SA status.”
22 Hammes retired in December 2013.
23 Nakao joined the faculty in August 2008.
The list reveals that despite geographic difficulties associated with the University’s location, the faculty have served a variety of scholarly activities by virtue of their individual networks. In addition, they have had a number of service activities within the University are excluded from the list. They have also contributed a number of referee reports to scholarly journals.

Part VII: Changes in the Program since the Previous Program Review

Since the previous Program Review of 2006/07, the Economics program has changed in many aspects. Some of the changes are in accordance with the Plan of Action articulated in Memorandum of Understanding (MOU) of the previous Review. The major changes are summarized below.

**Toward the B.B.A. in General Business with Economics Concentration**

From Fall 2017 through Spring 2022, the admission of new students into the B.A. in Economics will be suspended and stopped out. Concurrently, a new track in B.B.A. that concentrates on Economics—put formally, the B.B.A. in General Business with Economics Concentration (henceforth, B.B.A. in Economics)—is planned to be established and offered. Accordingly, it is tentatively expected that the following courses are offered in the new curriculum.

- Econ100: Introductory Economics (every semester)
- Econ130: Introductory Microeconomics (every semester)
- Econ131: Introductory Macroeconomics (every semester)
- Econ300: Intermediate Macroeconomics (every year)
- Econ301: Intermediate Microeconomics (every two years)
- Econ302: Managerial Economics (every two years)
- Econ310: Development Economics (every two years)
- Econ330: W/I Hawaiian Economy (every two years)
- Econ340: W/I Money & Banking (every semester)
- Econ360: International Trade (every two years)
- Econ361: International Finance (every two years)
- Econ370: Government Finance (every two years)
- Econ380: Natural Resources & Environmental Economics (every year)
- Econ390: Econometrics (every two years)
- Econ414: Global Topics in Game Theory (every two years)
- Econ430: Quantitative Forecasting (every two years)

This change is in response to the increasing demand for business-oriented courses among Economics-major students and the tightening constraints on human resources.

**Integration of the Economics Department into the Business Department**

Reflecting the move toward the B.B.A. in Economics, the Department of Economics has been integrated into the Department of Business in Fall 2016.

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24 Other service activities are listed in individual faculty members’ curriculum vitae.
25 A tentative requirements for B.B.A. in Economics appears in Appendix B.
Provision of Courses

Among the courses offered regularly (listed in Part III), four (Econ414, 415, 416, 430) are newly designed. There has also been three courses newly designed and once experimentally offered: Game Theory (Econ394); Federal Reserve & Monetary Policy (Econ394); Economics & Politics (Econ394).

On the other hand, the following five courses were offered in the past but have not been offered anymore: Introductory Global Economy (Econ210); History of Economic Thoughts (Econ305); Urban-Regional Economic Analysis (Econ350); Labor Economics (Econ380); Mathematical Economics (Econ420).

In short, during the review period, four regular courses have been newly offered, while five abolished. These changes are largely due to the changes of faculty members and also to the shift of paradigms in the discipline. Despite the trend of the shrinking faculty size (from four to three), the diversity of topics have been well preserved. This has been possible only through the use of part-time lecturers for courses at the introductory level.

Requirements for B.A.

Per the previous Review’s Plan (Action 4), since Fall 2012 the Department has offered a new track for B.A., the Quantitative Track that put more emphasis on Quantitative studies than two other tracks. This track has been designed for students who may pursue a post-graduate program in Economics. As of Spring 2016, six students have graduated or petitioned to graduate with this track.

Certificate in Asia-Pacific-US Economic Relations

To reflect diverse interests of current and prospective students, the Department established the certificate program in Asia-Pacific-US Economic Relations in Fall 2014. As it was initiated very recently, no student has yet been granted the certificate.

Graduate Certificate in Global Economics and Sustainability

The graduate certificate in Global Economics and Sustainability has been developed recently and is expected to initiate in Fall 2016. It covers fields such as global economics, business, and sustainability, assisting students in expanding and grabbing business opportunities in the global market. The target students are those international as well as those in programs such as Business Administration, Tropical Conservation and Environmental Science, Political Science, Sociology, Geography, Agricultural Economics, Natural Resource Management, Nursing, and Hawaiian Studies.

Faculty Recruitment

Per the previous Review’s Plan (Action 5), the Department has recruited and employed a new faculty member (Nakao). In the meantime, Hammes retired without a replacement. In addition, another recruitment recommended by the Plan (Actions 6, 9) has never been fulfilled. Those mean, the Department has been missing two full-time faculty positions recommended by the Plan.

Teaching Load for Junior Faculty

The teaching load model of 2-3 for junior faculty, articulated in the previous Review’s Plan (Action 7), applied to the new junior faculty member (Nakao).

Tenure & Promotion
Per the previous Review’s Plan (Action 8), the CoBE Faculty Senate ratified *Guidelines for Candidates for Reappointment, Tenure, Promotion, and Post-tenure Qualification* in 2010. The *Guidelines* clearly states the expectations for tenure and promotion.

**Part VIII: Department Chair’s Evaluation**

Among the actions recommended by the previous Program Review’s Plan of Action, Actions 4, 5, 7, and 8 have been fulfilled. Other actions have not been fulfilled mainly because of the changing environments around the Department. Our options have been constrained by exogenous and uncontrollable factors such as the budget tightening and the recent decline in student enrollments in the University as a whole.\(^{26}\)

Below is the list of the possible issues to be considered and/or resolved in the future.

- Since many upper division courses are offered every a few years, Economics-major students may face the difficulty in completing the elective requirements. Given the full-time faculty size of three, it is worth considering to allow more flexibility in choosing courses required for the forthcoming B.B.A. in Economics.
- Rigorous grading in Economics courses may possibly reduce the number of Economics majors. It is worth considering to raise the grade distribution and to examine the implication from doing so.