

CONSULTATION ON ECONOMICS LEARNING STANDARDS



Australian Government



Office for
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Guide for workshop discussion

1. What are learning standards?
2. Why are we doing this?
The standards agenda in Australia and internationally.
3. The process for developing learning standards in Australia
4. **The draft learning standards**



1. What are learning standards?

- Learning standards are **minimum learning outcomes**
- “Standards” do not imply “standardisation”.
 - Government has said: “**Diversity** in Australia’s higher education system, both within and between higher education providers, **is important** to meet diverse and changing student, employer and community expectations” (Australian Government, 2011, p. 8).
- Learning standards are not “binding”. Academics or departments do not “sign up”



2. Why are we doing this? The standards agenda in Australia.

TEQSA (2011)

Provider Standards require that: (my emphasis added)

“There are robust internal processes for design and approval of the course of study which **take account of external standards** and requirements, e.g. **published discipline standards**, professional accreditation, input from relevant external stakeholders, and comparable standards at other higher education providers.”

..and..

“The academic standards **intended to be achieved** by students and the standards **actually achieved** by students in the course of study are **benchmarked against similar accredited courses** of study offered by other higher education providers.”



...but while TEQSA compliance is the catalyst, this exercise is not just about compliance.

An opportunity for the economics discipline community to reflect, in a collaborative way:

What do we want our graduates to know and be able to do?



Prior learning standards projects for Australia

- Under the former ALTC: Accounting (2010) plus 10 other disciplines
- Under the ABDC: Marketing (2012); & soon Finance (2013-14)
- Under the OLT : Economics (also sponsored by the ABDC and supported by the ESA)



International Standards in Economics

- The UK Benchmark statement (2007 revision)
- AHELO Feasibility Study <http://www.acer.edu.au/aheloau> OECD project.
- Standards in Europe: The Joint Quality Initiative (“Bologna process”) and “Dublin descriptors”
 - Tuning Project in Europe
- The United States quality assurance in higher education is not nationally regulated and operates through six regional accrediting bodies. Tuning USA project is gathering momentum.



3. Project Timeline

Aug-Sept 2012	Invite EOI for WP; invite Chair of EAG; select EAG
Oct	Select WP
Dec-Jan	WP correspondence (no formal meetings)
Feb-April	WP meetings and correspondence
April	First draft of learning standards to EAG
May-June	Campus-based consultative workshops, Aust-wide
July	Present draft at symposium at ACE, Perth
Aug	Revise draft – (WP meetings as required)
Sept	Survey of Australian economists (mainly academics) facilitated by the ESA using Survey Monkey platform
30 Oct	Revise and submit third draft to EAG
Nov	Further revision, consultation, feedback



Working Party

- Ross Guest (Chair), Professor of Economics, Griffith Business School, Griffith University
- Jeff Borland, Professor of Economics, University of Melbourne
- Helen Cabalu, Head of School of Economics and Finance, Curtin Business School, Curtin University
- Gigi Foster, Senior Lecturer, School of Economics, University of New South Wales
- Mark Freeman, Associate Professor, University of Sydney Business School and Australian Business Deans Scholar
- Cameron Murray, PhD candidate in Economics, University of Queensland
- Rod O'Donnell, Professor of Economics, University of Technology Sydney
- Joanna Poyago-Theotoky, Professor of Economics, School of Economics, La Trobe University
- Helen Scarborough, Senior Lecturer in Economics, Faculty of Business and Law, Deakin University
- Tommy Tang, Associate Professor in Economics, School of Economics & Finance, QUT Business School, Queensland University of Technology
- John Tisdell, Head of School Economics and Finance, University of Tasmania



Membership of Economics Expert Advisory Group

- Allan Layton (Chair), Professor of Macroeconomics, Dean, Faculty of Business and Law, University of Southern Queensland, and member of Australian Business Deans Council
- Chris Bajada, Associate Professor of Economics and Associate Dean (Teaching and Learning), UTS Business School, University of Technology Sydney and nominee of the Australian Business Deans Council Teaching & Learning Network
- Russell Ross, Associate Professor of Economics, University of Sydney, and nominee of The Economic Society of Australia, (nominated by President of the ESA, Professor Bruce Chapman of ANU)
- Lisa Gropp, First Assistant Commissioner, Productivity Commission
- Stephen Halmarick, Head of Investment Market Research at Colonial First State Global Asset Management, and Chairman, Australian Business Economists
- Michael Kidd, Professor and Head of Economics and Finance, QUT, and nominee of the Australasian Standing Committee, Econometric Society
- Michael Knox, Chief Economist and Director of Strategy, RBS Morgans
- Brian Parmenter, Senior Consultant, ACIL Tasman (and, previous to that, Chair of QLD Competition Authority).

4. The draft learning standards

A guiding principle:

Under the TEQSA legislation, discipline-specific learning standards need to be consistent with the Australian Qualifications Framework (AQF)

- generic descriptors of learning outcomes in terms of knowledge, skills and application abilities
- apply to various qualification levels e.g. Bachelor, Masters

Tertiary Education Quality and Standards Agency Act 2011

1.1 The higher education provider ensures that awards which may lead to a qualification located at levels 5, 6, 7, 8, 9 or 10 of the AQF meet the corresponding specifications (including the levels criteria and qualification type descriptors) described in the AQF (<http://www.aqf.edu.au>).



AQF learning outcomes descriptors

Summary of differences

	Bachelor	Masters (coursework)
Purpose	Apply a body of knowledge in a specific context to undertake professional work	Apply an advanced body of knowledge...for professional practice or scholarship
Knowledge	Broad...depth in underlying principles in one discipline	...understanding of recent developments in a discipline ...knowledge of research methods
Skills	Review critically, analyse, synthesise... Critical thinking and judgement in solving problems... Communication skills...clear and coherent...	... mastery of theoretical knowledge ...to reflect critically ...synthesis complex information ...evaluate complex ideas ... communicate to specialist and non-specialist audiences
Application	...Initiative and judgement ..adapt knowledge and skills in diverse contexts	.. creativity and initiative to new situations in professional practice ...high level personal autonomy ...plan and execute a substantial research-based project or piece of scholarship

4. The draft learning standards



(i) Knowledge

(my emphasis added in italics)

Bachelor graduates will be able to identify, coherently explain and integrate core economic concepts.

Masters graduates will be able coherently explain the *theoretical basis* of core economic concepts, and synthesise *advanced concepts* with reference to *recent developments in economics*.



Generic economic concepts

opportunity cost
incentives
market forces, equilibrium and disequilibrium
strategic thinking
expectations and shocks
marginal analysis
the potential gains from voluntary exchange
systems and dynamics
quantitative concepts
framing, abstraction and model building
the evolutionary nature of Economics

Microeconomic concepts

decision-making and choice
production and exchange of goods
comparative advantage and gains from trade
the interdependency of markets
prices and market structure
types of market failures
economic welfare

Macroeconomic concepts

employment and unemployment
national accounting aggregates
exchange rate determination
international trade, capital flows and the current account balance
interest rate determination
distribution of income
inflation, economic growth and business cycles



(i) Knowledge

(my emphasis added in italics)

Example (microeconomics):

Bachelor degree graduates will be able to explain how the incidence of an increase in the rate of a tax depends on the elasticity of demand and supply. At **Masters** level graduates will be able to synthesise an understanding of the incidence of an increase in a tax with *concepts of economic welfare and economic efficiency*, and be able to illustrate with *reference to recent changes* in the tax system.

Example (macroeconomics):

Bachelor degree graduates will be able to explain the theoretical impact of active fiscal policy in an open and closed economy. At **Masters** level, graduates will be able to investigate and *reflect on the debate* about active fiscal policy in an open and closed economy.



(ii) Application

Bachelor graduates will be able to frame problems that are typically encountered in the private and public sectors in terms of core economic concepts and principles. They will be able to apply analytical reasoning in order to make informed judgments and decisions.

Masters graduates will be able to *critically* analyse and *compare alternative models* in order to make informed judgments and decisions given *complex problems*. They will also be able to plan and execute a *substantial research-based project*.



(ii) Application

Example (microeconomics):

Bachelor degree graduates should be able to identify and evaluate the effects of a merger between two firms on the extent of competition in the market(s) in which they operate. **Masters** degree graduates should be able to evaluate these effects by demonstrating *deeper understanding* of economic theory and practice in relation to market competition, and an ability to *synthesise complex information* about existing and potential market dynamics.

Example (macroeconomics):

Bachelor degree graduates should be able to identify and evaluate possible causes of a change in the rate of unemployment, including proximate causes such as changes to labour force participation, and broader economic influences such as government policy and macroeconomic aggregates. **Masters** degree graduates should be able to evaluate possible causes of a change in the rate of unemployment by applying and integrating a *deeper understanding* of economic models, with reference to a wider *knowledge of related existing literature*.



(iii) Data analysis

Bachelor graduates will be able to identify and collect appropriate economic data to address typical problems faced by professional economists. They should be able to demonstrate awareness of appropriate analytical techniques, apply standard computer software to implement those techniques, and be able to interpret empirical results.

Masters graduates will be able to *independently design a data analysis methodology* to address a given question. They should have *advanced data analytical skills* and be capable of *critical evaluation* of the results of their analysis.



(iii) Data analysis

Example (microeconomics):

Bachelor degree graduates will be able to collect appropriate data in order to analyse the demand for housing; then enter the data into an appropriate software package, conduct appropriate procedures and interpret the results.

Masters level graduates will be able to *independently design a methodology* to analyse data on the demand for housing. They should be able to *justify* the choice of a particular *analytical technique* and *critically evaluate* the results.



(iii) Data analysis

Example (macroeconomics):

Bachelor degree graduates will be able to analyse trends in inflation in Australia and internationally over the past 30 years. To do this they will be able to collect appropriate time series data from relevant statistical agencies, enter the data into an appropriate software package, run appropriate procedures and interpret the results.

At **Masters** level graduates will be able to independently *choose a methodology* for analysing international inflation trends. They should be able to apply and critically evaluate the results of *more advanced analytical techniques* in analysing these trends.



(iv) Communication

Bachelor graduates will be able to present a coherent exposition of economic knowledge and ideas, both orally and in writing, to a professional audience. They will also be able to communicate effectively, both orally and in writing, as a member of a team.

Masters graduates will be able to communicate interactively in multiple formats with a *wide range of audiences* including non-specialist economists, such as government decision makers, a board of directors, and the general public through the mainstream media. They will also be able to communicate *complex ideas* and concepts at an abstract level, both orally and in writing, as a member of a team.



(iv) Communication

Example (microeconomics):

Bachelor degree graduates will be able to contribute, as part of a team, to a written economic evaluation for a government department of a proposal to deregulate the taxi industry in a capital city. They will be able to clearly and coherently present this assessment orally to a team of public sector managers in a transport agency. **Masters** degree graduates will be able to provide such an assessment for *multiple audiences* ranging from professional economists to government ministers to the general public. They will also be able to provide a persuasive oral exposition to *specialist and non-specialist audiences*.



(iv) Communication

Example (macroeconomics):

Bachelor degree graduates will be able to contribute, as part of a team, to a professional written assessment of the likelihood of interest rate increases in the next six months and the effects that these would have on various industries and types of households. They will be able to present this assessment orally to professional audiences such as managers from the real estate, manufacturing and retail industries, as well as relevant government ministers. **Masters** degree graduates will be able to provide such a written assessment for *multiple audiences* ranging from professional economists to the general public. They will also be able to provide a persuasive oral exposition to *specialist and non-specialist audiences*.



(v) Nature of the discipline

Bachelor degree graduates will be able to:

- identify the role and limitations of alternative assumptions in economic modeling, including implicit value judgments;
- explain the role of both evidence and theory in the evolution of economic thought; and
- demonstrate an understanding of the ethical dimensions of an economist's role in society.

Masters graduates will be able to:

- *critically reflect* on the role and limitations of alternative assumptions in economic modeling, including implicit value judgments;
 - demonstrate awareness that economic problems may be *amenable to more than one analytical approach* and may have their roots in *different schools of economic thought*;
 - appreciate that the *economics discipline evolves* with developments in theory, empirical evidence and the lessons learned from economic history; and
 - demonstrate an understanding of the ethical dimensions of an economist's role in society.
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