

TEACHING MICROECONOMICS: TIPS AND TECHNIQUES

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ABSTRACT

College of Business majors generally find the required microeconomics principles course to be difficult and abstract. In contrast, at Texas A&M University-Corpus Christi there is a more positive attitude toward microeconomics because the teaching style is not "chalk and talk," and there is emphasis on ownership of the course by business students and faculty. Students become "course owners" by participating in activities during the semester that include giving fast-feedback on guest speakers, videos, course material; preparing a notebook for each phase of the course; reporting on various research topics via Internet, that include the conditions of the labor market, through researching their own career interest. The business faculty also buy into ownership by challenging students not to be "turned off" by the microeconomics course and by expecting students to acquire skills that will be useful in their advanced business courses. With new teaching techniques practiced during the past four years, more than 80% of respondents to a microeconomics survey at A&M-CC agree that all students should be required to take an economics course in college.

INTRODUCTION

Approximately 1.5 million students enroll annually in introductory economics courses in the United States. Very few of this number intend to seek a career as an economist (Nasar, 1995). Almost all students who do major in economics are primarily interested in business as a career, not economics (Klamer and Colander, 1990). Students are not "drawn" to the area of economics as much as they are "pushed" because almost all schools of business require an introductory economics course. So it is with dread, fear, and trembling based on the perception that economics is too difficult and too abstract that most students wade through this required course.

When Texas A&M University -Corpus Christi (A&M-CC) made macroeconomics a part of its core curriculum, meaning that all full-time students would be required to take it, the economics faculty set out to change this attitude of fear students had for economics. They asked themselves three questions: 1. What do students need and expect from economics? 2. What do business faculty expect from principles of economics courses? 3. What teaching techniques can make economics principles more relevant? From surveys, trial and error, economic professors gained new insights and perspectives on how to make principles of economics more friendly.

STUDENT EXPECTATIONS

At A&M-CC, 80%-90% of students enrolled in microeconomics classes are majoring in some area of business administration. What students expect, other than making a passing grade, is to enjoy their economics course and to be able to relate economics to their major. After some initial revision of teaching methods, faculty began surveying students in 1997 to see how they felt about economics. Results are tabulated in the following table. The respondents were rather evenly divided among sophomores, juniors, and seniors. Although respondents were not random, they were from several different sections of microeconomics, and they were promised anonymity.

Microeconomics Students' Perception of Economics			
Questions and category of response	1997	1998	1999
How important do you think a general understanding of economics is in today's world?			
Very important or important	87%	85%	69%
Fairly important	11%	14%	25%
Do you feel that all students should be required to take an economics course in college?			
Strongly agree or agree	85%	89%	83%
Undecided	11%	6%	11%
Source: Surveys at Texas A&M University-Corpus Christi; Saunders, 1980			

Although none of the students were majoring in economics and concern for their major was their primary interest, their responses to the two questions in the table indicated that a high percentage of students thought economics was an important course for all students to study. It should be noted that the 1999 data was collected early in the semester, whereas in the two previous years the surveys were taken toward the end of the semester. Conclusions are that as students become active learners in the course, they become owners of the course and thus develop a more positive attitude about the importance of economics.

FACULTY EXPECTATIONS

Both business and economics faculty have similar expectations for the microeconomics course. Each expect that the micro course will equip students with skills and knowledge necessary to be successful in the upper-division business curriculum; i.e., students will acquire quantitative analysis skills and a good understanding of the market price system. To achieve these goals, professors of microeconomics expect to be able to turn students "on" to economics rather than "off." How can this be done?

TIPS AND TECHNIQUES

The following are tips and techniques that have proven, in our classes at A&M-CC, to lessen the apprehension students have for taking microeconomics.

Tip:	Professors need to teach the micro classes as if the students were non-majors rather than economics majors; i.e., students don't want to major in the subject but they want to understand how it relates to their world.
Technique:	"Linking" is an effective and motivating teaching tool. Linking economics from the theory and text to current actual examples in the business world is far more interesting to the student. Such linking has been accomplished in a number of ways by
♦	inviting outside speakers from local businesses to help connect course content to the business world;
♦	providing students an opportunity to view a Small Business 2000 video that is related to a current study topic and write a short paper for extra credit;

- ◆ providing students an opportunity to research their individual career choices after inviting the Director of Career Services to guest lecture and providing students an opportunity to do an optional credit Internet Career Search.

Tip: Create an interactive classroom environment; i.e., the more common "Chalk and Talk" method is a "no-no" (Becker & Watts).

Technique: Students become "course owners" when they have some active role in class activities.

- ◆ First, assume that each student wants to do well in the course and will try to build grade credit when given an opportunity. By using a sign-in sheet and offering two points credit on each major exam for perfect attendance during that exam phase, in addition to optional credit class quizzes, students can earn a letter grade of points going into a major exam.
- ◆ Second, emphasize that the student determines her or his grade, not the instructor. By giving students different opportunities for gaining extra credit, the student's confidence and connection to the relevance of economics are improved.
- ◆ Third, use quantitative analysis tips to help students learn how to relate curves, algebraic equations and tables of economic data such as demand and supply schedules. For most students this will be the first time they will understand slope, curves and algebraic equations.
- ◆ Finally, allow students to work with other students in class on economic cases or real world problems. For example, our classes determined the rate of growth of employment for different local economies. The local newspaper published this data in one of its articles. Another class, after watching the movie, "Other People's Money,"

divided themselves into outside and inside management. They then discussed, based on the stockholders meeting depicted in the movie, whether or not legislation should be passed to prevent the buy-out of a company by outsiders.

Tip: Develop and improve quantitative analysis skills early in the course so that later concepts can be understood.

Technique: Our micro course emphasizes the relation of schedules, graphs, and algebraic equations to one another. Because this emphasis comes early in the course, students are able to sketch graphs, determine slope, set up demand and supply schedules, and derive algebraic equations. The emphasis is on sketching graphs using critical values instead of plotting. They are then able to use these analytical skills to understand how buyers and sellers each benefit from using the market-exchange process for allocating goods and services. Understanding the relation of algebraic equations and graphs is particularly useful later in the course when studying foreign trade tariffs and taxes. Making decisions at the margin is also introduced early in the course. Once students understand that marginal simply means the change in total and can apply the concept to comparing marginal benefits and marginal costs, they begin to understand one of the most common and useful decision-making tools in business and economics. This understanding of marginal analysis is essential for appreciating how efficiency can be achieved in the allocation of scarce resources. A bonus for non-majors is that these quantitative skills transfer to other disciplines as well. Students build an important bank of knowledge to carry into future courses. They learn about consumer

behavior, production theory, the relationship of total, marginal, and average costs and revenues, structure and performance of firms, and how people exchange locally and globally.

Tip: Communicate with students.

Technique: Simplifying language so the non-major can grasp the meaning should be the rule. Often those teaching economics tend to use economic terms that are meaningful only to other economists. For example, using the term "rents" to explain excess profits, or referring to isoquant curves and isocost curves to explain production problems may leave the undergraduate non-major baffled and not significantly better informed.

Using the fast-feedback technique as "ears" is another way to communicate. This technique involves asking students to write a note about how they are doing in the course, what they would like the professor to change or not to change, and what they would like to spend more time on in class. This keeps the student connected to the course, and it helps the professor to know what material may still need additional explanation.

Another fast-feedback technique is the use of optional credit quizzes. The quiz is presented at the beginning of the class and focuses on a question or problem from the topics scheduled for that class period. Participation is voluntary. The quiz is the starting topic for that day's material and sometimes students may volunteer to write part of the answer on the board in front of the class. To maintain communications it is important to have the papers graded and returned by the next scheduled class. Two points are given for a correct answer and -1 point for an incorrect answer. The accumulated points are added to each major exam grade. Gaining points before the major exam is an incentive for students to participate. The optional quiz has proven to encourage better class

preparation and also rewards students for arriving in class on time. The instructor benefits by gaining fast-feedback from students each time the class quizzes are graded. Good communication techniques help the teacher focus on the learning needs of the students.

CONCLUSION

At Texas A&M University-Corpus Christi we have attempted to change the process by which we teach in order to turn students "on" to microeconomics. The attempt has been to get away from the "chalk and talk" method and to make both students and business faculty "owners of the course." As we continue to refine our teaching techniques, we expect that students will become less apprehensive about taking economics. The feedback we are now getting from students in the form of class discussion, improved attendance, higher participation in optional credit projects such as class quizzes, Internet research, e-mail reports of videos, in addition to positive comments on end-of-semester course evaluations leads us to believe we are accomplishing this goal.

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