Title of Proposal: __Proposal for Suspending the Graduate Degrees in Agricultural and Resource Economics__

Effective Date: __Fall 2009__

Department/Program: __Agricultural and Resource Economics__
College: __Agricultural Sciences__

I certify that the above proposal has been reviewed and approved by the appropriate Department and College committees:

Susan Capalbo
Print (Department Chair/Head; Director)

William G. Boggess
Print (Dean of College)
Proposal for Suspending the Graduate Degrees in Agricultural and Resource Economics

Oregon State University

College of Agricultural Sciences
Agricultural and Resource Economics

November 13, 2008
### Abbreviated Category I proposal for Suspending the Graduate Degrees in Agricultural and Resource Economics

<table>
<thead>
<tr>
<th>Name of Institution:</th>
<th>Oregon State University</th>
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<tr>
<td>Name of Proposing College:</td>
<td>College of Agricultural Science (CAS)</td>
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<td>Name of Proposing Department:</td>
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<td>November 7, 2008</td>
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<td>Fall, 2009</td>
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A. Title of the proposed instructional, research, or public service unit. For name changes, give both the current and proposed names. Describe the reason(s) for the proposed change.

- The current graduate degrees in Agricultural and Resource Economics (M.S. and Ph.D.) are to be suspended.
- The AREC Faculty will fully participate in the proposed Graduate Program in Applied Economics (GPAE) which will offer M.A., M.S. and Ph.D. degrees. A separate “Abbreviated Category I proposal for the revision of Graduate Degrees in Economics Leading to Masters of Arts, Masters of Science, and Doctor of Philosophy in Applied Economics” provides greater detail on the proposed change.
- The proposed GPAE is well aligned with the mission of the graduate AREC degrees and will offer more marketable degrees for our students than are the AREC degrees. The GPAE Vision, Mission, and Principles emphasize that our graduate students will pursue agricultural, environmental, market, and resource economic issues from the perspective of the basic disciplinary focus of economics.
- The proposed GPAE will provide a simplified structure for graduate education at OSU and will benefit graduate students across all four colleges.

B. Location within the institution’s organizational structure. Include “before” and “after” organizational charts (show reporting lines all the way up to the Provost).

- Under the present AREC structure, the AREC Graduate Committee and Graduate Admissions Committee report to the Department Head. Final decisions on admission and funding are made by the Department Head. Changes to curriculum and degree requirements are approved by AREC Faculty. AREC core classes overlap with those of the ECON degrees. Hence, the Graduate Economics Core (GEC) and AREC graduate programs affect one another.
- Under the proposed GPAE structure, the GPAE Director will report to the Dean of the Graduate School. Student admissions/funding and core teaching assignments will be made by the Director. AREC will provide instructors for some graduate core courses, develop and staff classes in certain areas of concentration, and direct and finance research as it pertains to those areas of concentration.
- Governing principles of the proposed GPAE are consistent with the present graduate AREC program.
- Organizational chart of the proposed GPAE is provided in the abbreviated Category I proposal for establishing the GPAE.
C. Objectives, functions (e.g., instruction, research, public service), and activities of the proposed unit.

1. Explain how the program’s current objectives, functions and activities will be changed.

- The AREC degrees will be suspended and not eliminated because the Department currently has students enrolled in those degrees (including those that enrolled in Fall 2008). Commitments to those students will be honored. Moreover, the nationally-ranked AREC program will be eliminated only after the successful implementation of the GPAE.
- The GPAE’s vision is “to achieve national and international recognition for distinctive excellence and impacts of its graduates, research and scholarship in Applied Economics.” For this purpose, Applied Economics is defined as “the application of economic theories, principles and methods to real-world problems with significant attention to data and institutions.” Both are consistent with the objectives, functions, and activities of the graduate AREC program that we are proposing to suspend.
- The principles of the GPAE are consistent with those of our current graduate AREC program.
- The AREC Faculty will fully participate in the proposed Graduate Program in Applied Economics (GPAE), which will offer M.A., M.S., and Ph.D. degrees. The accompanying “Abbreviated Category I proposal for the revision of Graduate Degrees in Economics Leading to Masters of Arts, Masters of Science, and Doctor of Philosophy in Applied Economics” provides greater detail on the proposed change.
- The proposed GPAE is well aligned with the mission of the current graduate AREC degrees and likely will be a more marketable degree for our students than is the AREC degree. GPAE students will pursue agricultural, environmental, market, and resource issues from the perspective of the basic disciplinary focus of economics.
- The proposed GPAE will simplify the organizational and administrative structure of graduate economic education at OSU, benefiting graduate students in all four colleges.

2. Student Admission Requirements
- Under the proposed GPAE, we do not anticipate any changes to the admissions criteria presently used in the AREC degrees.

3. Proposed Program Requirements
- The GPAE’s proposed degree requirements are similar to those in the present AREC degrees. The forthcoming abbreviated Category I proposal for establishing the GPAE specifies the proposed revisions to the content, credit hours, and acronyms of the existing courses. AREC Faculty plan to participate in the proposed changes and to pursue the GPAE’s Vision, Mission, and Principles.
4. **Student Learning Outcomes**  
   • Similar to those in the GPAE

5. **Advising Structure**  
   • Similar to the GPAE

6. **Improvements of the Reorganized Program over the Previous Program**

   The improvements the reorganized program will offer are presented in the abbreviated category I proposal for the GPAE. To summarize those improvements, the GPAE will:
   
   • Build on recognized faculty strengths in the Departments of Agricultural and Resource Economics; Economics; Forest Engineering, Resources, and Management; Forest Ecosystems and Policy; and Health and Human Sciences. Collectively, faculty in the above units provide a critical mass for implementing an Applied Economics program of national reputation. Faculty in other academic Colleges (e.g. in Business) engaged in applied economic research and education would also contribute to the growth and reputation the proposed program.
   
   • The applied economics faculty’s collective profile will advance OSU’s Strategic Themes. A critical mass of economists already is available on the natural resources theme, and applied economists from across the University will contribute to other Strategic Themes as well. In short, the GPAE should enhance interdisciplinary collaboration.

7. **Assessment of Student Outcomes**  
   • Similar to those in the GPAE.

D. **Resources needed, if any: personnel, FTE academic, FTE classified, facilities and equipment.**

   The current resources employed to teach the AREC core, which also serves GEC, are reallocated to GPAE. However, AREC will recoup those resources since its faculty will continue to teach in GPAE. The net budgetary impact is zero.

E. **Funding sources:** state sources (institutional funds – state general fund, tuition and fees, indirect cost recoveries), federal funds, other funds as specified.

   N/A

F. **Relationship of the proposed unit to the institutional mission**

1. **Description of how proposed program supports OSU’s Mission and Goals**
2. Potential positive and negative impact of proposed change

The positive impact of suspending the AREC graduate degrees and establishing the GPAE will be: improving student recruitment, enrollment, and job placement; broadening the focus and visibility of the graduate program within the OSU community and across other institutions and agencies; and strengthening our scientific and policy connections to Oregon and the region.

The negative impact of suspending AREC’s established and well-recognized graduate program consists in the short-run informational adjustments: a possible short-run student loss and a faculty adjustment period that may briefly impair productivity. These negative impacts can be made negligible through proper incentives, cross-unit collaboration, and strong leadership at the dean and provost level.

G. Long-range goals and plans for the unit (including a statement as to anticipated funding sources for any projected growth in funding needs)

Our plan is to suspend the AREC graduate degrees, and to reassess the suspension once the GPAE has been operating long enough to be evaluated on its own merits.

H. Relationship of the proposed unit to programs at other institutions in the state

N/A. This question is addressed in the abbreviated Category I proposal to establish the GPAE.

I. If the program is professionally accredited, identify the accrediting body and discuss how the proposed change may affect accreditation

- Not professionally accredited
## Budget

(OUS and OSU)

**Category I Proposal Budget Outline**

Estimated Costs and Sources of Funds for the Proposed Program

Total new resources required to finance the increases requested. Any other resources are required. For categorical budgets should be reported as line items.

See budget outline instructions on the OUS and OSU websites at [www.ous.edu/ous/budgets](http://www.ous.edu/ous/budgets)

**Institution:** Oregon State University

**Category I Proposal Name:** Suspending Agricultural and Resource Economics Degrees

**Academic Year:** 2008-2009

**Operating Year:**

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<th>Column B</th>
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* See current OPE tables at [http://oregonstate.edu/dept/budgets/budgetandtables.htm](http://oregonstate.edu/dept/budgets/budgetandtables.htm)
Dear Dan,
I have reviewed the modifications, and the statement is ready to proceed to the next appropriate body.
Sincerely,
Darlene

Darlene Russ-Eft, Ph.D.
President Elect
Academy of Human Resource Development and Professor & Chair
Department of Adult Education & Higher Education Leadership
College of Education
Oregon State University

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Dan,

Please find attached the revised category I proposal for the Applied Economics program. I have now addressed the recommendations from the Graduate Council. The Table in Appendix B now includes the current and proposed core courses along with cost estimates for both. Supporting text on page 14 has been revised to be consistent with the table in Appendix B. I have added the clarification from the Provost on the long-term financial support of Program directorship (last page of the document).

For full disclosure, the Agreement signed by the Provost and Deans of associated Colleges is included in the revised proposal along with the report of the B&FP committee and Graduate Council.

If you or Darlene have any questions, please let me know.

Thank you
-Gopi

<< File: Appl_Econ_Cat_1(abbr).pdf >>

*****
Munisamy (Gopi) Gopinath
Director, Graduate Program in Applied Economics
Professor, Agricultural and Resource Economics
212 Ballard Hall
Oregon State University
Phone: 541-737-1402
E-mail: m.gopinath@oregonstate.edu
Dear Dan,

The Graduate Council approved the abbreviated Category I proposal renaming and reorganizing the Graduate Degrees in Economics Leading to the Master of Arts, Master of Science, and Doctor of Philosophy in Applied Economics. As part of the approval, the Council recommends that the data in Table 1, located in Appendix B, be more closely aligned with the actual applied economics core and that the long-term financial support of the directorship be clarified now. Graduate Council members shared the Budgets and Fiscal Planning Committee’s concern about the program’s long term financial sustainability.

The Graduate Council approved the Category I proposal to suspend current graduate degrees in Agricultural and Resource Economics provided that the abbreviated Category 1 proposal revising the Graduate Degrees in Economics Leading to the Master of Arts, Master of Science, and Doctor of Philosophy in Applied Economics be approved.

Sincerely,
Darlene

Darlene Russ-Eft, Ph.D.
Chair
Graduate Council
and
Professor & Chair
Department of Adult Education & Higher Education Leadership
College of Education
Oregon State University
411 Education Hall
Corvallis, OR 97331
USA
Phone: +1-541-737-9373
Fax: +1-541-737-3655
December 3, 2008

Dear Dan Dowhower,

BFP reviewed two Category I proposals regarding graduate programs in economics:

1. Suspension of current graduate degrees in Agricultural and Resource Economics
2. Revising all of the graduate Economics degrees into one Applied Economics program to be housed in the Graduate College

The proposal materials the committee reviewed are attached to this email. The committee remarked on the thorough description, more than adequate narrative, and even the budget details received. The additional four-page memo from Provost Sabah Randhawa added further clarity to both the goals and level of support this proposal enjoys.

The committee reviewed the proposal, discussed the contents at length, and met for an additional 20 minutes with Gopinath Munisamy, the director-to-be of the revised program.

The Budget and Fiscal Planning Committee recommends the proposal be forwarded at this time to the Graduate Council of the Faculty Senate. Please see attached correspondence (proposal, Randhawa memo) for your records.

The committee noted concerns with the proposal. The committee approved forwarding the proposal with the addition of comments noted here:

1) This proposal would not go forward without assurance other programs would be eliminated. Otherwise, there would be significant duplication. We have assurances this will be automatic upon approval of this revision;
2) Dr. Munisamy gave assurances that students enrolled in existing programs (Econ or AREC) would be able to complete their degrees, or have option to transfer to the new Applied Economics degree program. The committee asked whether additional resources were required to shepherd those students through. We also were assured that students in the Ph.D. program in Economics have completed the courses that have been removed from the Applied Economics program, and that students in the other programs have basically the same requirements as the AE degree and therefore, no additional resources were necessary for offering courses;
3) It appears the Applied Economics (AE) program is high cost per student program with a substantial administrative cost component, so there is a concern regarding long term sustainability. Recurring administrative costs of close to $150,000 are substantial. There is no indication in the proposal of a longer term commitment from the provost/grad school, or how student enrollment might grow to cover these costs. Is the AE intended to be a self support/self sustaining program or will it require ongoing support from the Provost or Grad School beyond the four year 360 review? And;
4) Is funding from the Provost at the expense of other equally important academic programs? These are not noted (indeed, they may not be known). More than one committee member remarked that committee had not seen this level of financial support in the past from the Provost’s office, and so questioned should this be part of routing for all future interdisciplinary collaborations.

Please contact Frost (author) for any discrepancies with the above. As co-chairs, we divide proposals based on their order of arrival.

Sincerely,

Robert A. Frost and Rebecca Warner
Co-Chairs, Faculty Senate Budgets and Fiscal Planning Committee