



INSTRUCTIONAL NOTES

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A Santa Rosa Junior College
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Vice President of Academic Affairs

NOTES FROM THE VICE PRESIDENT - Dr. Mary Kay Rudolph

Colleagues:

At this time of year we all tend to reflect back on the previous year's goals and accomplishments, and anticipate next year's challenges. I had hoped that our final Instructional Notes for fall semester 2006 would be a celebration of our growth in enrollments and the passage of Senate Bill 261. Unfortunately, our growth and the rewards that should have resulted are called into serious question by our practices around census rosters. I know you will all join me in working toward full compliance in the future with our mandated responsibilities, and in providing the required documentation so that our internal census audit receives 100% cooperation.

Inside you will find short articles on many issues that are important to Academic Affairs and to our District – updates on our new Program Review process and the Academic Affairs reorganization to date, a request for help in preparing for our Accreditation Self-Study, progress reports on Petaluma campus issues, and a reminder of the importance of timely submission of student final grades. I hope you find the materials helpful and of interest.

Thank you and Happy Holidays to you all!

Mary Kay

Mary Kay Rudolph



ACCREDITATION NEWS

Wanted: Wisdom and advice from former Accreditation Visiting Team members!

In November, Mary Kay Rudolph circulated an outline of the process for developing SRJC's Accreditation Self-Study. As part of that process, Mary Kay would like to arrange a luncheon meeting with people who have served on visiting teams to other colleges, so we can glean practical insights and suggestions based on your experience. In particular, it will be helpful to hear from those of you who served **after** the Accreditation framework was revised in June, 2002.

If you have served and would like to help, please fill out and return the **really short** questionnaire attached to this message. Mary Kay will be sending out another message to all staff at the beginning of the spring semester, and will be sending specifics on the luncheon dates and times to those of you who respond in late January as well. Thank you!

REALLY SHORT QUESTIONNAIRE FOR VETERAN ACCREDITATION VISITING TEAM MEMBERS

Please return this questionnaire via email or otherwise to Mary Kay Rudolph by **January 26, 2007**. Thank you.

1. YOUR NAME _____
2. (LAST) COLLEGE VISITED _____
3. DATE VISITED _____
4. BEST DAY(S) FOR ME TO MEET (check all that apply):
Monday Tuesday Wednesday Thursday Friday
5. BEST TIME(S) (check all that apply):
Morning Lunch Afternoon



ATTENTION FACULTY: NEW ROSTER PROCEDURES FOR SPRING 2007

New roster procedures for credit courses will be implemented in the Spring 2007 semester. Faculty are required to certify their enrollments by the "First Census" date of their classes in order to fully comply with Education Code regulations. Further information and training will be provided to all faculty in January 2007; however, please note the significant changes below:

- In order to have accurate, up-to-date enrollment information for the first day of classes, faculty are directed to print an Initial Enrollment Roster for each class from the Lookup menu at www.santarosa.edu/lookup instead of receiving printed Temporary Rosters from the Admissions & Records Office. Faculty who need the password, or are unable to access the website, must contact their Department Chair or Service Center Assistant for the password or to have the roster printed.
- The Admissions & Records Office will provide printed Census Rosters to faculty by the First Census date of each of their census classes. Faculty will be required to indicate all "No-Show" students on the Census Roster and return it immediately to A&R. Therefore, faculty are directed to keep attendance on the Initial Enrollment Roster for each class during the Census period. Census dates will be printed on all rosters.

Please contact your Department Chair or Freyja Pereira in the Admissions & Records Office (707) 527-4512 fpereira@santarosa.edu if you have any questions.

Grades Turned in Late Adversely Affect Students

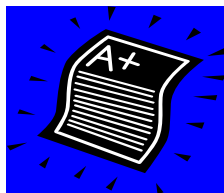
Late grades can cause major disruptions in the lives of students. If their academic records are incomplete, their eligibility for scholarships, financial aid or intercollegiate sports could be affected. Therefore, it is critical that your rosters for the Fall 2006 semester be submitted promptly.

All final grades must arrive in Admissions & Records by 5pm, January 4, 2007. Grades will post to the official record on Monday, January 8; therefore, it is imperative that all faculty submit final grade rosters by the January 4th deadline.

Please use a dark #2 pencil to fill in the Final Grade Report, and sign the Official Roster in ink. Final Grade Reports and Official Rosters must be turned in together. If you did not receive an Official Roster, contact Admissions & Records at 522-2788 before turning in grades so that we can order a replacement.

PLEASE SUBMIT GRADES IN PERSON to the Santa Rosa or Petaluma Admissions & Records Office, **December 18-22, and January 2-4, from 8am-5pm.** Grades may also be submitted through **INTERCAMPUS MAIL.**

Additionally, if you are unable to submit grades by one of the two preferred options stated above, you may send your grades by U.S. mail, however you will be responsible for providing an envelope and postage, and ensuring that your grades arrive by the deadline. **Please make copies before mailing your grades.** Thank you for your cooperation.



College-Wide Planning Process under Discussion

In response to an accreditation recommendation, the multi-constituent President's Linkage Task Force has proposed a new process for creating a stronger link between planning and budgeting. The Task Force proposes a common planning structure and planning cycle for all four components of the college, including Academic Affairs, Student Services, Administrative Services, and Business Services. This cycle allows for systematic identification of the needs and priorities of every program and provides a mechanism to integrate and prioritize plans at every level of the college.

As part of this new district-wide planning process, Academic Affairs is revising its Program Evaluation and Planning (PEP) process. The Program Review Task Force, composed of faculty, classified, and administrative representatives, has developed a new process that is data driven and includes the kind of analysis needed to link planning and budgeting. Most of the data necessary for program planning will be conveniently available online. The new **annual** Program Review process will consolidate many disparate threads of planning and will eliminate duplication of effort whenever possible. Each program will be required to prepare a **comprehensive** Program Review every third year that will provide additional information about program quality and student equity.

The new Academic Affairs Program Review process has been reviewed by the Academic Senate, the Department Chair Council, and the AFA. In January, 2007, department chairs and support staff will receive training on the new process and in March, 2007 additional trainings will be available for "flex" credit to any interested faculty member. The annual Program Review documents will be due April 20, 2007. The new District-wide planning process is expected to be initiated in 2007/2008.

Kris Abrahamson
Dean, Arts, Culture & Communications



ONLINE COLLEGE PROJECT – PHASE THREE

The College has recently announced the third phase of the Online College Project. The goal is to have a completely on-line degree so that we may offer this instructional alternative to our students. Phase Three has funding for up to 24 new online courses, with a focus on courses that meet either General Education requirements, have high enrollment demand, or are part of a major or certificate program.

The first two phases of the project were part of joint effort within the college to use distance education as a means of increasing student choice and broadening curricular offerings. Phase One and Two funded a total of 38 new courses that are either currently offered or are being developed. As a means of supporting faculty who have been selected, a series of CATE trainings have been held.

In addition, two instructional faculty, Kathy Thornley and Wanda Burzycki, are offering faculty training sessions that address instructional and pedagogical issues for those involved with online instruction. For more information about the project and the process, please see these online documents:

- Online College procedures:
http://online.santarosa.edu/homepage/billstone/oc_procedure.html
- Distance Ed procedures:
http://online.santarosa.edu/homepage/billstone/de_procedure.html



Project LEARN Update

December 11, 2006

From October 4-6, 2006, a contingent of Santa Rosa Junior College instructors and administrators attended and presented at the "Strengthening Student Success Conference: What Counts" in San Diego. This conference was sponsored by the Research and Planning Group of California and the Carnegie Foundation for Teaching and Learning, among others. The purpose of the conference was to bring together California community college practitioners to share new ideas and current assessment practices in student learning outcomes.

Institutional Researcher KC Greaney spearheaded a team including Terri Frongia, Micca Gray, Matt Greaney, and Gary Allen, who, in cooperation with Marcy Alanraig from Cabrillo College, presented a workshop on "Writing General Education Student Learning Outcomes or Core competencies." Gary Allen also led a team consisting of Matt Greaney, Victor Cummings, and Marti Estrin. They facilitated a workshop entitled "Choosing and Using: Assessment Tools and Findings." This workshop used as models student learning outcome assessment tools currently in use at SRJC in our Political Science, Life Sciences, and ESL departments.

Finally, in recognition of the valuable work Project LEARN has done in developing institutional goals, KC Greaney was recruited to participate in an intercollegiate workshop entitled, "General Education Smorgasbord: Techniques for Assessing General Education Outcomes." KC, along with presenters from Los Medanos and Cabrillo Colleges, presented what SRJC has done in the initial stages of defining institutional outcomes and including student learning outcomes in the program review process.

Project LEARN Ahead

While your colleagues are still working on the 31 projects that got started last year, now is the time to start discussing which courses in your department to assess next, ones that would benefit from a long-term collaborative and systematic examination of student learning outcomes. Department chairs will be getting more information at the first DCC/IM meeting in 2007, but for this round of projects, be aware there will be greater emphasis on assessing courses that serve large numbers of students, are taught by multiple instructors, or play an important role in a program.

SLOs & PDA

On the PDA Institutional Day on January 16, 2007 you'll have two opportunities to catch up on SLO developments during afternoon workshops:

- **Gathering of Assessors:** This session will bring together learning outcomes assessment project team members and Project LEARN committee volunteers instrumental in creating the learning assessment processes now being implemented at SRJC. After a Project LEARN progress overview, team members in attendance will be invited to make brief project reports as well as share wisdom, project benefits, pitfalls, unexpected consequences, etc. Future projects steps will also be quickly introduced. Interested spectators are also welcome to attend to get in on SRJC's outcomes assessment action.
- **Outcomes are the Objective!** Come to this workshop and leave with written outcomes statements for a course of your choice. As the Academic Senate has voted to support putting SLOs onto course outlines of record, it is time for everyone to sort out the outcomes vs. objectives distinction. Participants will be invited to bring copies of course outlines.

Gary Allen, Outcomes Assessment Facilitator
Victor Cummings, Dean, Letters and Social Sciences



UPDATE ON ACADEMIC AFFAIRS REORGANIZATION

Last June the SRJC Board of Trustees approved Phase I of the Academic Affairs (AA) reorganization, which involved restructuring at the management levels of Director to Dean III. As a result of the initial reorganization changes this past year, several managers have acquired new titles and responsibilities. These managers still retain their previous functions, but have all pitched in to ensure that vital academic functions are covered during this time of transition. The managers and their new titles and/or newly acquired responsibilities are listed below:

1. Kerry Campbell-Price – Dean II, Continuing Education and Strategic Program Development
 - Multi-site program development
 - Noncredit programs and services
 - Seniors Program Unit B
2. Betsy Roberts – Director, Adult & Continuing Education
3. Chuck Robbins, Director, Economic and Workforce Development
 - International Studies and Study Abroad
 - Contract Education (Kathleen Kearney, ETP Contract Coordinator)
4. Stephanie Thompson – Director, Occupational Education and Services
 - Scheduling Office (interim)
5. Eve Nighswonger – Manager, School Initiatives and Career Pathway Development

Additionally, Terri Frongia's retreat to faculty has resulted in several Academic Affairs managers temporarily taking on additional responsibilities. The AA deans listed below have divided up the primary functions of the former DOIGE office. Those deans and their responsibilities are:

1. Steve Cohen, Dean, Business, CIS, Off Campus and Weekend Programs
 - Weekend College
 - Child Development oversight
 - Curriculum Committee (with Tatjana Omrcen)
2. Will Baty, Dean, Learning Resources
 - Distance Education (with Robert Chudnofsky, Petaluma)
 - Faculty Staffing
3. Victor Cummings, Dean, Letters and Social Sciences
 - Staff Development (with Ron Myers)

Phase II of the AA reorganization concerns proposed changes in departments and/or clusters. This was described to the Board as a year of dialogue and discussion within and between the specific departments that I had put forward as potentially moving to another cluster or combining in a different permutation. Those discussions began in some clusters as early as July, and have resulted in several recommendations for restructuring. We are currently in the process of meeting with clusters or departments as requested, assisting the appropriate deans in facilitating those discussions, and collecting these recommendations from departments or clusters that have completed their dialogue. I anticipate the majority of the recommendations coming to all of the appropriate constituent groups (Academic Senate, Department Chair Council/Instructional Managers, Petaluma Faculty Forum, Institutional Planning Council, College Council, etc.) for further dialogue in February and March.

I extend my great appreciation to the faculty and deans for the time and energy they have already put into the process. I am pleased to see that this process already appears to have resulted in much improved recommendations coming directly from the constituents involved. While I feel the reorganization initially proposed would have brought about a clearer structure for some administrative purposes, I have come to realize that the reasons for not implementing *all* originally proposed changes in department/cluster groups also have value and merit. I look forward to sharing their recommendations with the greater college community.

SUMMER SCHEDULE TEMPLATES

The Scheduling Office has developed templates to guide departments in scheduling classes for Summer 2007. Templates have been created for the three week intersession, as well as the six and eight week summer sessions. The templates are designed to maximize scheduling efficiency. By minimizing the number of overlapping class start/end times, there will be increased opportunity for students to take more than one course during the summer.

Summer Schedule Template Intersession

3 units, 4 days a week

3 weeks (May 29 – June 14), final on last day of class

Monday	Tuesday	Wednesday	Thursday
8:00-12:30	8:00-12:30	8:00-12:30	8:00-12:30
1:00-5:30	1:00-5:30	1:00-5:30	1:00-5:30

Summer Schedule Template

3 units, 4 days a week

6 weeks (June 18 – July 26), plus final exam on July 30 or July 31

Monday	Tuesday	Wednesday	Thursday
7:30-9:30	7:30-9:30	7:30-9:30	7:30-9:30
9:45-11:45	9:45-11:45	9:45-11:45	9:45-11:45
12:00-2:00	12:00-2:00	12:00-2:00	12:00-2:00
2:00-4:00	2:00-4:00	2:00-4:00	2:00-4:00
4:00-6:00	4:00-6:00	4:00-6:00	4:00-6:00
7:00-9:00	7:00-9:00	7:00-9:00	7:00-9:00

Summer Schedule Template

4 units, 4 days a week

8 weeks (June 18 – August 9), plus final exam on August 13 or August 14

Monday	Tuesday	Wednesday	Thursday
7:30-9:30	7:30-9:30	7:30-9:30	7:30-9:30
9:45-11:45	9:45-11:45	9:45-11:45	9:45-11:45
12:00-2:00	12:00-2:00	12:00-2:00	12:00-2:00
2:00-4:00	2:00-4:00	2:00-4:00	2:00-4:00
4:00-6:00	4:00-6:00	4:00-6:00	4:00-6:00
7:00-9:00	7:00-9:00	7:00-9:00	7:00-9:00
7:00-10:00		7:00-10:00	
	7:00-10:00		7:00-10:00

Evening classes could meet either 2 hours 4 times a week or 3 hours 2 times a week.

Evening Template (Optional)

3 units, 3 days a week

6 weeks (June 18 – July 26), plus final exam on July 30 or July 31

Monday	Tuesday	Wednesday	Thursday
4:00-6:40	4:00-6:40	4:00-6:40	
7:00-9:40	7:00-9:40	7:00-9:40	

Does not have to be MTW it could be any combination of 3 days i.e., MTTh, TWTh

If a class cannot fit exactly into the template, departments should be encouraged to schedule it so it begins at a time designated on the template, to minimize the overlap.



PETALUMA CAMPUS UPDATE

Phase II Construction: Construction continues on schedule and the scene changes almost daily. The new maintenance center and warehouse will be the first building completed and should be ready for occupancy in February 2007. The next building to be completed is "Building K" – the working title for the building that will house faculty and administration offices, large lecture rooms and a variety of support services. Building K should be completed in November 2007 if the construction schedule is met.

A consultant (Patty Kolin) is currently working with small groups of faculty and staff to refine the equipment and furniture list for each room in each building. A consultant is also working on the keying plan for the expanded facilities which will include regular keys as well as card readers.

Friends of the Petaluma Campus: The "Friends" continue to support the Petaluma Campus in a variety of ways. They are providing support for the Teachers Breakfast Workshop, Scholarships, Arts & Lecture presentation and the spring round of special faculty and staff projects.

Lyndi Brown was hired effective November 1, 2006 as the new Development Officer for the Petaluma Campus. Lyndi will be working with the Friends Committee to design and implement a fundraising program to support the expanded campus.

Staffing Changes: The campus is fortunate to have been approved to hire a new fulltime custodian as well as an additional .45% A&R Technician. Shirley Proulx has replaced Michelle Poggi as the Scheduling Technician Senior due to Michelle's movement to the Staff Development Coordinator position on the Santa Rosa Campus. We are currently seeking a replacement for Carl Dobson.

Vice President/Executive Dean Position: The selection committee for the Vice President/Executive Dean position for the Petaluma Campus has completed the paper screening process and has scheduled interviews for the finalists. Tentative plans call for a series of "Forums" for the final candidates. The forum dates have not been set but will be publicized throughout the district.

ATM to Return: Notification has been received from the Exchange Bank that they will install a new ATM machine in the Atrium of the Courtyard Café prior to the opening of the spring semester. Students, faculty and staff look forward to

having a source of ready cash for purchases in the café which currently does not accept credit cards.

Saturday Service Returns to South County: South County students will be able to access counseling, financial aid and registration services on Saturday January 13th and 20th on the Petaluma Campus. Services will also be available in Sonoma on January 13th. The students are very appreciative of the faculty and staff who alter their schedules to make this service possible.

Expanded Spring Schedule: The Spring class schedule has been expanded by over 50 sections in the South County (Petaluma, Rohnert Park, and Sonoma). This schedule was cooperatively developed by Ofelia Arellano, Robert Chudnofsky, the department chairs and many resident faculty on the Petaluma Campus. The goals for Spring 2007 schedule development are to increase the number of sections in high demand areas, offer greater breadth of choice in the various categories of general education and pilot some new courses in areas the deans feel will attract new students to the college. The expansion of both the course offering and number of faculty is part of the overall expansion plan for the Petaluma Campus.

If you have questions or comments on any of these topics, do not hesitate to contact Steve Olson at 778-3931 or at solson@santarosa.edu.



Flat

**All forecasts are wrong...
Good forecasts are less wrong.**
Christopher Thornberg, Beacon Economics
November 3, 2006

Chuck Robbins
SRJC Economic Development Institute
November 2006

Because Christopher Thornberg's observation above may be correct--that forecasts (and by extension, forecasters) are invariably wrong--this document will be long on data and commentary from "experts" and short on predictions.

The Grand View

One of the experts we've referred to in the past is Thomas L. Friedman, author of *The World is Flat: A Brief History of the Twenty-First Century*. When Friedman says the world is flat, he means that "Several technological and political forces have converged, and that has produced a global, Web-enabled playing field that allows for multiple forms of collaboration without regard to geography or distance—or soon, even language."

Wired Magazine, May 2005

Here at SRJC, we are preparing students to live and work in Friedman's flat world. Reviewing Friedman's book in *The New York Times*, Fared Zakaria notes, "...there's no way to stop the wave. You cannot switch off these forces [globalization, the rising influence of China and India, the rush to capitalism of many developing nations] except at great cost to your own economic well-being. Over the last century, those countries that tried to preserve their systems, jobs, culture or traditions by keeping the rest of the world out all stagnated."

The New York Times, May 1, 2005

Our students and graduates continue to face a rapidly evolving job market and a dynamic economy the resists easy classification. Current characteristics include:

- Stagnant wages and weak job growth, despite a surge in corporate profits over the past five years
- Falling wages for young college graduates
- Projections for decent growth in California's economy yet flat growth in Sonoma County's economy
- Declining number of jobs of all types in Sonoma County (the county lost jobs in September for the fifth straight month—the longest period of job losses since 2001)

- Decreasing unemployment rate in Sonoma County (the county unemployment rate dipped to 3.7 percent in September, possibly indicating that fewer people are looking for work)

Observers have attributed the stagnant wages and weak job growth throughout the United States to factors such as rising productivity and tight control of expenses. Economists also cite other influences such as global trade, immigration, and the declining power of unions in this country.

San Francisco Chronicle, November 12, 2006

“There are two economies out there. One has been just white hot, going great guns. Those are the people who have benefited from globalization, technology, greater productivity and higher corporate earnings. And then there’s the working stiffs who just don’t feel like they’re getting ahead despite the fact that they’re working very hard.”

The New York Times, August 28, 2006

Recently, *The New York Times* ran an editorial regarding “...working Americans—non-managers who make up 80 percent of the labor force and whose wages up until now have not reflected their impressive productivity over the past several years.” The Times noted that in September and October of this year the wages of these working people had shown real gains, with wages outpacing inflation, which had moderated because of declining energy prices:

“The gains of September and October were due to declining inflation, not faster wage growth. And with most economists predicting a slower economy through the middle of next year, it’s unlikely that American workers will get a sustained pay boost any time soon. In other words, Americans’ purchasing power now depends almost entirely on the up and down of energy prices.”

The New York Times, November 22, 2006

According to the U.S. Bureau of Labor Statistics, the U.S. economy each quarter destroys nearly 7 percent of existing jobs and creates a roughly equivalent percentage. Yet a report issued recently by UC Davis indicates that during the “past few decades, job stability and job tenure for the typical worker don’t seem to have changed much, if at all.” Today’s workers might have several jobs during their working life, but those jobs might be with the same company. Despite the lack of change in job tenure, the report noted that workers still have plenty of reason to feel anxious: “Job stability isn’t the same as job security. The consequences of losing a job are far more severe today than they were in previous generations.”

The Press Democrat, September 11, 2006

Most folks working at SRJC seem to agree that, in the next few years, two demographic groups in Sonoma County will see population gains, and, therefore, will influence our programs: Latinos and older adults. Although many local businesses and the college have begun to address issues related to the Latino population, the aging adult population is still only dimly perceived by most people. Business leaders and human resource professionals in

Sonoma County acknowledge the issue, but few have devised strategies to utilize the boomers' talents and minimize the impact of massive numbers of aging workers either leaving their jobs or remaining in the workforce over the next few years.

According to the U.S. Bureau of Labor Statistics, in the U.S. by 2012:

- Workers over age 55 in the U.S. labor force will increase 50 percent while the number of workers between 35 and 44 will decrease by 6.8 percent
- Women aged 55 to 64 in the labor pool will increase from 41.8 percent in 1982 to 60.6 percent
- Workers aged 65 to 74 will increase in the labor pool from 16.2 percent in 1982 to 23.6 percent

Why go to college, anyway?

On November 16, 2006, the *San Francisco Chronicle* featured an eye-catching headline: "Two-year colleges failing mission." The head was supported by the text, which was based on research by the Public Policy Institute of California. After studying all community colleges in the California system, the researchers concluded that:

- Only about one-fourth of students who concentrate on transfer courses eventually move on to four-year institutions
- Only one-tenth of community college students who concentrate on associate degree courses eventually earn those degrees

The study did provide some excuses for those of us in the system:

- Ninety percent of students enter community college unprepared to do college level math
- Seventy-five percent of students are unprepared for writing and English
- The system is not set up to perform the remedial work required for these students

Add this information to a report on *sfgate.com* (January 19, 2006) based on studies from the American Institutes for Research, and you have a bleak picture of college education in this country:

- More than 50 percent of students at four-year-schools and more than 75 percent at two-year colleges lack the skills to perform complex literacy tasks (they could not interpret a table about exercise and blood pressure, understand newspaper editorials, or summarize the results of surveys)
- Almost 20 percent of students pursuing four-year degrees had only basic quantitative skills; about 30 percent of two-year students had only basic math skills (these students could not estimate if their car had enough fuel to make it to a service station)

In the good old days, a college education guaranteed better earnings. In today's global economy, the degree is helpful, but it is certainly no guarantee:

"It turns out that the median earnings of young college grads, adjusted for inflation, fell by an astonishing 3.3% in 2005. That's on top of similar declines in 2004 and

2003. All told, the earnings of young college grads are down by almost 8% since 2002. . . . By young college grads, we mean full-time workers between the ages of 25 and 34 with a B.A. but no advanced degree.

“These are people who first entered the workforce during the past 10 to 12 years, some during the boom, some during the early years of the bust. What they’ve experienced over the past several years is an unrelenting downdraft in wages, probably the first sustained decline for college grads since the 1970s.”

BusinessWeekOnline, August 29, 2006

Despite the gloomy BusinessWeekOnline assessment, recent college graduates (those leaving college in 2006 with four-year degrees) have a marginally better outlook:

“Study after study underscores how much a college degree counts in the workplace. Graduates earn higher salaries, undergo fewer periods of unemployment, and have a broader array of options. . . . As a whole, occupations that employ mostly college graduates are expected to gain new jobs faster than occupations that employ workers who have less education.”

San Francisco Chronicle, November 12, 2006

The Local View

Economists commenting on the local economy have no idea where it’s heading, as this headline in *The Press Democrat* of September 24, 2006, demonstrates: “Puzzling Slump: Analysts, industries wonder what’s in store for Sonoma County job growth.” The writer notes that, “Job growth has suddenly stalled in Sonoma County, a mysterious trend that has analysts wondering if local employers are firing workers—or are just unable to hire them.” The analysts list three potential causes for the slump:

- Employers may have jobs to fill but can’t entice potential workers to move here because the cost of living is too high
- The economy is slowing significantly as a result of higher energy costs, a cooling housing market, increased interest rates, stagnant wage growth, and other factors
- The data is wrong

Although the writer can’t pinpoint the cause of the slump—or the reasons for the confusion—he concludes that “The cooling housing market is likely playing a significant role in the slowdown.”

This conclusion is echoed by economist Steven Cochrane with Moody’s Economy.com, who described the slowdown as extraordinary and possibly a result of the elevated cost of living. Cochrane hinted that a recession might be possible, a view advanced recently by Christopher Thornberg, Beacon Economics, who believes we have a 1 in 2 chance for a recession next year, largely driven by the amount of decline in the local housing industry. His assessment: “Overall, the 2007 economic outlook remains very shaky.”

The Press Democrat has indicated that Sonoma County home sales are down more than 27 percent this year, and the median price has fallen 7.7 percent over last year. What’s happening? Thornberg said that the current slump is unusual, particularly in California,

because economic signals are generally positive: unemployment is low; income gains top the national average, tourism is strong, commercial leasing has improved, manufacturers are earning record profits, oil prices have fallen, interest rates are relatively low, and the stock market is strong.

We could argue that Sonoma County is finally matching the rest of California and the nation:

“California workers experienced stagnant wages and weak job growth during the past five years despite a surge in corporate profits. . . . Many California workers are losing purchasing power as inflation outpaces their earnings. . . . The California data mirrors the sluggish growth in wages and jobs in the nation as a whole.”

San Francisco Chronicle, September 3, 2006

So, what do we think we know?

- Nationally, residential real estate is overbuilt and housing values will continue to decline, resulting in a very real possibility of a recession in 2007 (Christopher Thornberg)
- The economies of the state and the nation are producing jobs at a decent, not spectacular, rate
- Many of those new jobs are not great: Salaries are often low and benefits minimal
- Real wages across the nation have declined, so that the average household income is only slightly above where it was in 1973 (The New Yorker, January 16, 2006)
- Job creation in Sonoma County is tepid
- The quality of Sonoma County’s jobs is also in decline (58 percent of new jobs in the county between 2003 and 2005 paid wages below the average wage)
- By 2010, Latinos will comprise one-third of the seniors in high schools, but overall, the number of high school graduates will not increase
- Over the next few years, the number of adults in the county age 30 – 59 will decline while the number over 60 will increase dramatically
- SRJC cannot rely on an increase in county population to grow the college into fiscal health: Population growth in the county in 2005 was approximately 0.4 percent (more people moved out than moved in, and only births provided an increase in population; from 2002 to July 2006, county population increased 0.6 percent)

After assessing the conflicting economic data and listening to contradictory forecasts from confused analysts, it might be appropriate to end with a commentary about economists:

The interviewer calls in the mathematician and asks, “What do two plus two equal?” The mathematician replies, “Four.” The interviewer asks, “Four, exactly?” The mathematician looks at the interviewer incredulously and says, “Yes, four, exactly.” Then the interviewer calls in the accountant and asks the same question, “What do two plus two equal?” The accountant says, “On average, four—give or take ten percent, but, on average, four.”

Finally, the interviewer calls in the economist and poses the same question, “What do two plus two equal?” The economist gets up, locks the door, closes the shade, sits down next to the interviewer, and whispers, “What number do you want it to equal?”