

UNC Course Syllabus for ECON 590-004

Spring 2021

<u>Course:</u>	ECON 590-004	<u>Term:</u>	Fall 2021
<u>Credit hours:</u>	3.0	<u>Schedule:</u>	Tu/Th 2:00 - 3:15 PM
<u>Prerequisites:</u>	ECON 400, ECON 410	<u>Location:</u>	Gardner Hall, Room 0308
<u>Instructor:</u>	DeForest McDuff		or Zoom as needed
<u>Email:</u>	dmcduff@email.unc.edu	<u>Office hours:</u>	Th 4:30 - 6:00pm via Zoom or by appointment

Course Title: Economics and Life: Applying Economics to Life's Big Questions

Course Description: This course explores the intersection of economics and self-examination on trying to live a good life. Students will learn about economic models, empirical evidence, and economic research in the following areas: (1) Self-interest, (2) Cooperation, (3) Society, (4) Education, (5) Career, (6) Finances, (7) Marriage, and (8) Children. Students will review evidence and excerpts from published economic research, classic economic thinkers (e.g., Adam Smith, John Rawls, Gary Becker), and contemporary economists (e.g., Russ Roberts, Angus Deaton, David Card, Dan Ariely). Students will engage in regular online and classroom discussions. The course culminates with two self-reflective term papers with the following prompts: (1) What are your goals for education, career, and finances, and how can economics help you achieve those goals? (2) What is a good life, and how can economics help you live yours?

Learning Objectives:

- To understand and apply economic models
- To review and evaluate empirical evidence
- To consider a range of economic perspectives
- To think critically about life objectives and trade-offs
- To apply economic principles and research to personal aspirations and life goals

Student Assignments:

- Readings: Students will be assigned a variety of readings, including book chapters, academic papers, and online sources to be provided by the instructor and completed in advance of class. You must also purchase 2 full books to read and incorporate into your term papers:
 - 1. All students: Russ Roberts (2014), *How Adam Smith Can Change Your Life* ([Amazon](#))
 - 2. Your choice: Please select one of the following based on preference:
 - Career: Cal Newport (2012), *So Good They Can't Ignore You* ([Amazon](#))
 - Finance: John Bogle (2017), *The Little Book of Common Sense Investing* ([Amazon](#))
 - Society: Michael Sandel (2020), *The Tyranny of Merit* ([Amazon](#))
- Online discussions: The instructor will provide online prompts and questions for online written discussion via Sakai. Students are expected to contribute at least 1 affirmative response and 1 response to another student per online prompt.
- Term papers: 2 self-reflective term papers with analysis and research components
At least 5-10 pages each, due dates marked on the class schedule

Grading:

- 20% Online Participation Online research and discussions
- 20% Class Participation Class attendance and participation
- 30% Term Paper #1 Prompt #1 on Self-interest, Education, Career, Finances
- 30% Term Paper #2 Prompt #2 on Cooperation, Marriage, Children, Society

Readings: The instructor will post readings online that are relevant to each topic being studied. Readings will include book chapters, academic papers, and online sources. Students are expected to complete the readings outside of class and in advance of the topic being discussed. Some readings are easy to follow (*i.e.*, introductory-level economics) whereas others are more difficult (*i.e.*, published research and graduate-level material). Students should strive to review and understand all materials as best as possible, recognizing that full comprehension of more difficult material is not needed.

Online Participation (20% of grade): The instructor will provide online prompts in Sakai Forums related to the readings and class lectures. Students are expected to contribute to the online discussions by providing at least 1 affirmative response and 1 response to another student per posted prompt. Students are expected to engage in open dialogue that respects diversity of opinions, such that all students' opinions will be respected and permitted in a constructive discussion of the core issues. The instructor reserves the right to moderate online discussions, as needed. Online participation will be evaluated based on the consistency, quantity, and quality of online participation in the forums.

Class Participation (20% of grade): Classes will include (1) lectures in which the instructor providing most of the content and (2) discussions in which the students and instructor will discuss course content. Class attendance is required except for University approved absences, and absences will result in a lower participation grade. Students will be evaluated based on class attendance, interaction outside of class (*e.g.*, office hours), and the quantity and quality of class participation.

Term Papers (60% of grade): Students will write two self-reflective term papers that include economic analysis and research components. The papers should combine economic analysis (relevant models, data, and trade-offs) and economic research (papers and book chapters) with personal evaluation (how those trade-offs apply to one's own life). Students will share papers with the rest of the class via online discussion and will review other students' papers. Term papers are due according to the class schedule outlined below. Term papers will be graded based on (1) writing, (2) economic analysis, (3) course content, and (4) originality. The instructor will provide more guidance on term papers during class.

Academic Integrity: Students are bound by the University Honor Code (<http://honor.unc.edu/>) and must adhere to University standards of academic integrity. During class discussions and particularly in student term papers, all words or ideas that are not your own must be cited. Plagiarism is taken very seriously and will be referred to the University. Please see the UNC Plagiarism Tutorial for an overview of why we cite and what constitutes plagiarism (<https://guides.lib.unc.edu/plagiarism>).

Teaching format: UNC is planning for in-person learning this semester, though recognizing that plans may change and that university guidance will be followed. From time to time, the instructor may need to hold a class via Zoom or move the time of the class to accommodate a scheduling conflict; in such cases, the instructor will provide further guidance. Remote classes via Zoom may be recorded by the instructor for use and reference within the class. Consistent with UNC policy, students may not share or distribute the recordings outside of class for any reason.

Mask use statement: For in-person learning, students enrolled in the course are required to wear a mask covering your mouth and nose in the classroom. If you choose not to wear a mask or wear it improperly, I will ask you to leave and may submit a report to the [Office of Student Conduct](#), which can result in

disenrollment from the course for the protection of our educational community. Students who have an authorized accommodation from [Accessibility Resources and Service](#) may have an exception. For additional information, see [Carolina Together](#).

Diversity Statement: I value the perspectives of individuals from all backgrounds reflecting the diversity of our students, broadly defined to include race, gender identity, national origin, ethnicity, religion, social class, age, sexual orientation, political background, and physical and learning ability. I strive to make our classroom an inclusive space for all students. Please let me know if there is anything I can do to improve, as I welcome any suggestions or feedback in this regard.

Title IX Resources: Any student who is impacted by discrimination, harassment, interpersonal (relationship) violence, sexual violence, sexual exploitation, or stalking is encouraged to seek resources on campus or in the community. Please contact the Director of Title IX Compliance (Adrienne Allison at Adrienne.allison@unc.edu), Report and Response Coordinators in the Equal Opportunity and Compliance Office (reportandresponse@unc.edu), Counseling and Psychological Services (confidential), or the Gender Violence Services Coordinators (gvsc@unc.edu; confidential) to discuss your specific needs. Additional resources are available at <https://safe.unc.edu/>.

Student Resources: Students have access to a number of University resources, including counseling and psychological services (<https://caps.unc.edu/>), the UNC Learning Center (<http://learningcenter.unc.edu/>), and the UNC Writing Center (<http://writingcenter.unc.edu/>). Students are encouraged to use those resources, as needed, and may contact the instructor with any questions with accessing those resources.

Tentative Class Schedule: See the subsequent pages below for a tentative class schedule. The instructor may modify the schedule and readings as the semester progresses, as needed, to accommodate covering the topics of the course.

Course Evaluations: The University will distribute student course evaluations at the end of the semester during the last week of classes. I value your feedback and suggestions for making future versions of the course as good as possible. If you have any suggestions or concerns about how the course is going, I highly encourage you to raise these with me as they arise so that I can make the course as successful as possible.

Tentative Class Schedule

Class	Topic	Outline	Core Readings
1	Introduction	Course objectives Course topics	Class Syllabus
2-3	Self-interest	<p>1. Self-interest</p> <ul style="list-style-type: none"> a. What is self-interest? b. Are we self-interested? c. Is self-interest good or bad? <p>2. Well-being</p> <ul style="list-style-type: none"> a. What is well-being? b. What improves well-being? 	<p>Russ Roberts (2014), <i>How Adam Smith Can Change Your Life</i>, Penguin Random House Publishing, Chapters 1-3.</p> <p>Frey and Stutzer (2002), "What Can Economists Learn from Happiness Research," <i>Journal of Economic Literature</i>, 40(2), pp. 402-435.</p> <p>Kahneman and Krueger (2006), "Developments in the Measurement of Subjective Well-Being," <i>The Journal of Economic Perspectives</i>, 20(1), pp. 3-24.</p> <p>Kahneman and Deaton (2010), "High Income Improves Evaluation of Life but not Emotional Well-Being", <i>Proceedings of the National Academy of Sciences of the United States of America</i>, 107(38).</p> <p>Extra:</p> <p>Easterlin (1974), "Does Economic Growth Improve the Human Lot? Some Empirical Evidence," in Paul A. David; Melvin W. Reder (eds.). <i>Nations and Households in Economic Growth: Essays in Honor of Moses Abramovitz</i>. New York: Academic Press, Inc.</p>
4-5	Education	Q1: How much education?	Concise Encyclopedia of Economics: Human Capital, by Gary Becker (2008).

		<ul style="list-style-type: none"> a. Wages by education b. Wage-education regressions c. Human capital v. Signaling <p>Q2: What type of education?</p> <ul style="list-style-type: none"> a. Wages by major b. Human capital v. signaling c. Social welfare 	<p>Bryan Caplan (2018), <i>The Case Against Education</i>, Princeton University Press, Chapter 1 (The Magic of Education), Chapter 4 (The Signs of Signaling).</p> <p>Georgetown University (2015), "The Economic Value of College Majors," Center on Education and the Workforce.</p> <p>Extra:</p> <p>David Card (1999), "The Causal Effect of Education on Earnings," <i>The Handbook of Labor Economics</i>, Chapter 30.</p> <p>Bureau of Labor Statistics: The Game of Life Versus Real Life.</p> <p>Michael Spence (1973), "Job Market Signaling," <i>Quarterly Journal of Economics</i>, 87(3), pp. 355-374.</p>
6-7	Career	<p>Q1: How do labor markets work?</p> <ul style="list-style-type: none"> a. Wages by profession b. Labor market equilibrium <p>Q2: What kind of career to pursue?</p> <ul style="list-style-type: none"> a. Passion v. Craftsman b. Search models c. Ikigai: A reason for being 	<p>George Borjas (2019), <i>Labor Economics: 8th Edition</i>, McGraw-Hill, Chapter 4: Labor Market Equilibrium.</p> <p>Cal Newport (2012), <i>So Good They Can't Ignore You</i>, Grand Central Publishing, Chapters 1-4.</p> <p>Financial Samurai, "Ikigai is Why You Shouldn't be Afraid of Retirement."</p> <p>Extra:</p> <p>Open Text BC (2020), "Demand and Supply at Work in Labor Markets."</p> <p>Cal Newport (2012), <i>Deep Work</i>, Grand Central Publishing, Introduction.</p>
8	Good Life	Discussion	

		<ul style="list-style-type: none"> a. What is a good life? b. What makes a good term paper? 	
9-10	Finances	<p>Q1: What role does economics play?</p> <ul style="list-style-type: none"> a. What is finance? b. Are markets efficient? c. What about investor psychology? <p>Q2: What about personal finances?</p> <ul style="list-style-type: none"> a. Saving b. Investing c. Goals 	<p>Burton Malkiel (1973-2019), <i>A Random Walk Down Wall Street</i>, Norton & Company, Chapters 6, 7, 10.</p> <p>John Bogle (2017), <i>The Little Book of Common Sense Investing: 10th Anniversary Edition</i>, Wiley Publishing, Introduction, Chapter 13, Chapter 20.</p> <p>Robert Shiller (2003), "From Efficient Markets Theory to Behavioral Finance," <i>Journal of Economic Perspectives</i>, 17(1), 83-104.</p> <p>William Bernstein (2002, 2010), <i>The Four Pillars of Investing: Lessons for Building a Winning Portfolio</i>, McGraw-Hill, Introduction.</p> <p>Ramit Sethi (2009, 2019), "I Will Teach You To Be Rich," Workman Publishing Co., Chapter 3 (Get Ready to Invest), Chapter 6 (How to Maintain and Grow Your System).</p>
11	Self-interest	<p>3. Happiness</p> <ul style="list-style-type: none"> a. How can we strive for happiness? b. Is happiness the goal? 	<p>Dan Ariely (2008, 2010), <i>Predictably Irrational: The Hidden Forces That Shape Our Decisions</i>, Harper Perennial, Introduction.</p>
	Term Paper #1	Due 1 day after Class #11	
12-13	Discussions	Student discussions of Term Papers	

14-16	Cooperation	<p>1. Cooperation</p> <ul style="list-style-type: none"> a. What is cooperation? b. Why is cooperation valuable? <p>2. Human nature</p> <ul style="list-style-type: none"> a. Are we honest? b. Are we cooperative? <p>3. Ethics</p> <ul style="list-style-type: none"> a. What are ethics? b. Why do we have ethics? 	<p>Russ Roberts (2014), <i>How Adam Smith Can Change Your Life</i>, Penguin Random House Publishing, Chapters 7-10.</p> <p>Gary Becker (1976), "Altruism, Egoism, and Genetic Fitness: Economics and Sociobiology," <i>Journal of Economic Literature</i>, 14(3)</p> <p>Dan Ariely (2012), <i>The (Honest) Truth About Dishonesty: How We Lie To Everyone – Especially Ourselves</i>, Harper Perennial, Introduction, Chapter 1 (Testing the Simple Model of Rational Crime), Chapter 2 (Fun With The Fudge Factor)</p> <p>Adam Grant (2016), <i>Give and Take: Why Helping Others Drives Our Success</i>, Penguin Books, Chapter 1 (Good Returns)</p>
17-18	Marriage	<p>Q1: Why get married?</p> <ul style="list-style-type: none"> a. Economic explanations b. Marriage and well-being <p>Q2: How has marriage been evolving?</p> <ul style="list-style-type: none"> a. Economic explanations b. Data trends 	<p>Stevenson and Wolfers (2007), "Marriage and Divorce: Changes and their Driving Forces," <i>Journal of Economic Perspectives</i>, 21(2).</p> <p>Stutzer and Frey (2006), "Does Marriage Make People Happy, or Do Happy People Get Married?," <i>The Journal of Socio-Economics</i>, 35, pp. 326-347.</p> <p>Lundberg, Pollak, and Stearns (2016), "Family Inequality: Diverging Patterns in Marriage, Cohabitation, and Childbearing," <i>Journal of Economic Perspectives</i>, 30(2).</p> <p>Extra:</p> <p>Gale and Shapley (1962), "College Admissions and the Stability of Marriage," <i>The American Mathematical Monthly</i>, 69(1): pp. 9-15.</p> <p>Wikipedia, Family Economics.</p>

19-20	Children	<p>Q1: What is good for the parents?</p> <p>a. Children and happiness</p> <p>Q2: What is good for the children?</p> <p>a. Parental investment / influence</p> <p>Q3: What is good for the world?</p> <p>a. Malthusian economics</p> <p>b. Population growth</p>	<p>Bryan Caplan (2011), <i>Selfish Reasons to Have More Kids</i>, Basic Books, Introduction, Chapter 2 (The Case Against Guilt).</p> <p>Amy Chua (2011), <i>Battle Hymn of the Tiger Mother</i>, Penguin Group, Chapters 6-11.</p> <p>The Guardian (2011), "Is Strict Parenting Better for Children?"</p> <p>Stephen Landsburg (1997), <i>Fair Play: What Your Child Can Teach You About Economics, Values, and the Meaning of Life</i>, Simon and Schuster, Chapter 13.</p> <p>Extra:</p> <p>Kahneman and Krueger (2006), "Developments in the Measurement of Subjective Well-Being," <i>The Journal of Economic Perspectives</i>, 20(1), pp. 3-24.</p> <p>Kahneman, Krueger, Schkade, Schwarz, Stone (2004), "A Survey Method for Characterizing Daily Life Experience: The Day Reconstruction Method," Presentation.</p> <p>Haveman and Wolfe (1995), "The Determinants of Children's Attainments: A Review of Methods and Findings," <i>Journal of Economic Literature</i>, 33, pp. 1829-1878.</p> <p>Wikipedia: Malthusianism.</p> <p>Steven Landsburg (2007), <i>The Unconventional Wisdom of Economics</i>, Simon & Schuster, Chapter 2 (Be Fruitful and Multiply).</p>
-------	----------	--	--

21-23	Society	<p>1. Human Progress</p> <p>a. How are we doing?</p> <p>b. What are the risks?</p> <p>2. Fairness</p> <p>a. What is fair?</p> <p>b. What is just?</p> <p>3. Inequality</p> <p>a. What about inequality?</p>	<p>John Rawls (1971), <i>A Theory of Justice</i>, Presidents and Fellows and Harvard University, Excerpts.</p> <p>Michael Sandel (2020), <i>The Tyranny of Merit: What's Become of the Common Good</i>, Farrar Straus and Giroux Publishing, Chapters TBD.</p> <p>Stephen Landsburg (1997), <i>Fair Play: What Your Child Can Teach You About Economics, Values, and the Meaning of Life</i>, Simon and Schuster, Chapter 5.</p> <p>Emmanuel Saez (2017), "Income and Wealth Inequality: Evidence and Policy Implications,"</p> <p>Blau and Kahn (2017), "The Gender Wage Gap," <i>Journal of Economic Literature</i>, 55(3), pp. 789-865.</p> <p>Lang and Spitzer (2020), "Race Discrimination," <i>Journal of Economic Perspectives</i>, 34(2), pp. 68-89.</p>
24	Extra day	Extra day for in-class office hours	
	Term Paper #2	Due 1 day after Class #24	
25-26	Discussions	Student discussions of Term Papers	
27	Conclusion	Concluding thoughts	