

UNC Course Syllabus for ECON 490

Fall 2023

<u>Course:</u>	ECON 490	<u>Term:</u>	Fall 2023
<u>Credit hours:</u>	3.0	<u>Schedule:</u>	M/W 12:20 - 1:35 PM
<u>Prerequisites:</u>	ECON 410	<u>Location:</u>	Wilson Hall, Room 0128
<u>Instructor:</u>	DeForest McDuff		Zoom as needed
<u>Email:</u>	dmcduff@email.unc.edu	<u>Office hours:</u>	After class or by appointment

Course Title: Economics of Life: Applying Economics to Life’s Big Questions

Course Description: This course explores the intersection of economics and self-examination in trying to live a good life. Students will learn about economic models, data, and research in the following areas: (1) Education, (2) Career, (3) Finance, (4) Utility, (5) Family, and (6) Groups. Students will review evidence and readings from published economic research, classic economic thinkers (*e.g.*, Adam Smith, Gary Becker), contemporary economists (*e.g.*, Russ Roberts, Angus Deaton, David Card), and academic thinkers from related fields (primarily philosophy, psychology, political science). Students will engage in online and classroom discussions, including a research project with an in-class group presentation. The course culminates in a self-reflective term paper with the following prompt: “What is a good life as you see it, 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 thinking and research to personal aspirations and life goals

Readings: The instructor will post readings 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 course content as best as possible, recognizing that full comprehension of more difficult content is not needed.

For the course, students must purchase the following books:

1. Russ Roberts (2014), *How Adam Smith Can Change Your Life: An Unexpected Guide to Human Nature and Happiness* ([Amazon](#))
2. Bill Perkins (2019), *Die with Zero: Getting All You Can from Your Money and Life* ([Amazon](#))
3. Meg Jay (2012, 2021), *The Defining Decade: Why Your Twenties Matter—and How to Make the Most of Them Now* ([Amazon](#))

Assignments and Grading:

1. Forums: 30%
2. Term Paper: 30%
3. Group Project: 20%
4. Engagement: 20%

1. Forums: The instructor will provide online prompts related to the readings and class content. Students are expected to contribute to the online discussions by providing at least 1 response and 1 comment in response to another student's response. 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. Forums will be evaluated based on the Quantity (25%) and Quality (75%) of submissions.

2. Term Paper: Students will write a self-reflective term paper that includes economic analysis and research components. The papers should combine economic analysis (models, data, and trade-offs) and economic research (papers and book chapters) with personal self-reflection (how those trade-offs apply to one's own life). Students will share papers with the rest of the class. Term papers will be graded based on (1) writing, (2) economic analysis and course content, and (3) originality and creativity. The instructor will provide more guidance on term papers during class.

3. Group Project: Students will complete a group research project on a course topic. Students will research that topic and present their findings to the class. Groups will be comprised of 3-6 students and will involve an in-class presentation (15-30 minutes) on the selected topic. The instructor will provide more guidance on group projects during class. The class will meet during the university-scheduled final exam period for final presentations, discussions, and assessments of the Group Project.

4. Engagement: Classes will include (1) lectures where the instructor teaches course content and (2) discussions where students and/or the instructor discuss the course material. Class attendance is required except for University approved absences, and absences will result in a lower engagement grade. Students will be evaluated based on class attendance, class participation, poll participation, and an overall subjective assessment of student engagement during class time.

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 may 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, recognizing that plans may change and that university guidance will be followed. Periodically, 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. Classes may be recorded by the instructor for use and reference within the course. Consistent with UNC policy, students may not share the recordings outside of class for any reason.

Diversity Statement: I respect the diversity of our student body and seek to promote diverse perspectives from students of all backgrounds. I strive to make our classroom an inclusive space for all perspectives and welcome any suggestions or feedback in this regard during the course.

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.

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: The following pages provide a tentative class schedule and reading list. The instructor will modify the schedule and readings as the semester progresses, as needed, to accommodate covering the topics of the course.

Course Topics				
1. Individual	 Education	 Career	 Finances	 Utility
2. Groups	 Family		 Groups	

Tentative Class Schedule

1	Introduction	
Part 1: Individual		
2	The Economic Lens	
3	Education 1	Economics of education
4	Education 2	Education choices
5	Career 1	Labor markets
6	Career 2	Career choices
7	Finances 1	Saving
8	Finances 2	Investing
9	Finances 3	Personal finance
10	Term Paper Overview	
	Term Paper Draft Due	Education, Career, Finances
11	Term Paper Discussions	
12	Utility 1	Health
13	Utility 2	Well-being
14	Utility 3	Happiness
Part 2: Groups		
15	Family 1	Marriage
16	Family 2	Children
17	Family 3	Social norms
18	Utility 4	Wild problems
19	Term Paper Office Hours	
	Term Paper Due	
20	Connecting the Dots	
21	Groups 1	Good society
22	Groups 2	Group dilemmas
23	Groups 3	Group norms
24	Groups 4	Group success
25	Groups 5	Life outcomes
26	Group projects	
27	Group projects	
28	Group projects	
Finals	Group projects	

Tentative Reading List

1. The Economic Lens

- a. Russ Roberts (2014), *How Adam Smith Can Change Your Life*, Penguin Random House Publishing, Chapters 1-3.
- b. Bill Perkins (2020), *Die with Zero: Getting All You Can from Your Money and Life*, First Mariner Books, Chapter 1.

2. Education

Economics of education:

- a. David Card (1999), "The Causal Effect of Education on Earnings," *The Handbook of Labor Economics*, Chapter 30.
- b. David Autor (2016), "Skills, Education, and the Rise of Earnings Inequality Among the 'Other 99 Percent'", *Science*: 344 (6186), pp. 843-851.

Education choices:

- c. Gary Becker (2008), "Human Capital," *Concise Encyclopedia of Human Capital*.
- d. Bryan Caplan (2018), *The Case Against Education*, Princeton University Press, Chapter 1 (The Magic of Education), Chapter 4 (The Signs of Signaling).
- e. Georgetown University (2015), "The Economic Value of College Majors," *Center on Education and the Workforce*.

3. Career

Economics of career:

- a. George Borjas (2019), *Labor Economics: 8th Edition*, McGraw-Hill, Chapter 4: Labor Market Equilibrium.
- b. Sam Dogen (2018), *Financial Samurai Website*, "Ikigai is Why You Shouldn't be Afraid of Retirement."

Career choices:

- c. Cal Newport (2012), *So Good They Can't Ignore You*, Grand Central Publishing, Chapters 1-4.
- d. Meg Jay (2012, 2021), *The Defining Decade: Why Your Twenties Matter—and How to Make the Most of Them Now*, 12 Publishing, Introduction + Identity Capital.

4. Finances

Saving:

- a. Bill Perkins (2020), *Die with Zero: Getting All You Can from Your Money and Life*, First Mariner Books, Chapters 2-6.
- b. Thomas Stanley and William Danko (1996, 2010), *The Millionaire Next Door: The Surprising Secrets of America's Wealthy*, Taylor Trade Publishing, Intro + Chapter 1.

Investing:

- c. Robert Shiller (2003), *From Efficient Markets Theory to Behavioral Finance*, *Journal of Economic Perspectives*, 17(1), pp. 83-104.

Personal finance:

- d. Ramit Sethi (2009, 2019), *I Will Teach You to be Rich*, Workman Publishing Co., Chapters 3, 8.

5. Utility

Health:

- a. Grossman, Michael (1972), "On the Concept of Health Capital and the Demand for Health," *The Journal of Political Economy*, 80(2): pp. 223-255.

Well-Being:

- b. Frey and Stutzer (2002), "What Can Economists Learn from Happiness Research," *Journal of Economic Literature*, 40(2), pp. 402-435.
- c. Kahneman and Deaton (2010), "High Income Improves Evaluation of Life but not Emotional Well-Being", *Proceedings of the National Academy of Sciences of the United States of America*, 107(38).
- d. DeForest McDuff (2005), Undergraduate Thesis, *Analyzing Income and Happiness: The Effects of Placing Too Much Emphasis on Income in a Job*.

Happiness:

- e. Russ Roberts (2014), *How Adam Smith Can Change Your Life*, Penguin Random House Publishing, Chapters 4-6.
- f. Emily Esfahani Smith (2017), Ted Talk, *There's More to Life Than Being Happy*.
- g. Paul Dolan (2019), *Happy Ever After: Escaping the Myth of the Perfect Life*, Penguin Random House UK, Introduction + Chapter 1 (Wealthy).

6. Family

Marriage:

- a. Stutzer and Frey (2006), "Does Marriage Make People Happy, or Do Happy People Get Married?", *The Journal of Socio-Economics*, 35, pp. 326-347.
- b. Stevenson and Wolfers (2007), "Marriage and Divorce: Changes and their Driving Forces," *Journal of Economic Perspectives*, 21(2).
- c. Lundberg and Pollak (2015), "The Evolving Role of Marriage: 1950-2010," *The Future of Children*, 25(2), pp. 29-50.

Children:

- d. *The Guardian* (2011), "Is Strict Parenting Better for Children?"
- e. Amy Chua (2011), *Battle Hymn of the Tiger Mother*, Penguin Group, Chapters 6-11.
- f. Bryan Caplan (2011), *Selfish Reasons to Have More Kids*, Basic Books, Introduction, Chapter 2 (The Case Against Guilt).
- g. Lundberg, Pollak, and Stearns (2016), "Family Inequality: Diverging Patterns in Marriage, Cohabitation, and Childbearing," *Journal of Economic Perspectives*, 30(2).
- h. Guryan, Hurst, and Kearney (2008), "Parent Education and Parental Time with Children," *The Journal of Economic Perspectives*, 22(3), pp. 23-46.

Social norms:

- i. Meg Jay (2012, 2021), *The Defining Decade: Why Your Twenties Matter—and How to Make the Most of Them Now*, 12 Publishing, Love + Children.
- j. Paul Dolan (2019), *Happy Ever After: Escaping the Myth of the Perfect Life*, Penguin Random House UK, Chapter 4 (Married), Chapter 6 (Children).

Wild problems:

- k. Roberts, Russ (2022), *Wild Problems: A Guide to the Decisions that Define Us*, Penguin Random House, New York, Chapters 1-2.
- l. Making Sense Podcast (2022), *Steps in the Right Direction with Russ Roberts*, Excerpt 6:15 to 25:30.
- m. Ruth Chang (2014), *Ted Talk: How to Make Hard Choices*.

7. Groups

Good society:

- a. Russ Roberts (2014), *How Adam Smith Can Change Your Life*, Penguin Random House Publishing, Chapters 7-10.

Group dilemmas:

- b. TBD: [Tragedy of the Commons, Lin Ostrom]

Group norms:

- c. Freakonomics Podcast (2021), "Robert Axelrod on Why Being Nice, Forgiving, and Provokable are the Best Strategies for Life", *People I (Mostly) Admire*, Ep. 47.
- d. Adam Grant (2016), *Give and Take: Why Helping Others Drives Our Success*, Penguin Books, Chapter 1 (Good Returns)
- e. Dan Ariely (2013), *The (Honest) Truth About Dishonesty: How We Lie to Everyone—Especially Ourselves*, Harper Perennial Publishing, Chapters 1-2.
- f. Dan Ariely (2009), *Ted Talk: Our Buggy Moral Code*.

Group success:

- g. TBD: [Prosocial]
- h. Michael Sandel (2020), *The Tyranny of Merit: What's Become of the Common Good*, Farrar Straus and Giroux Publishing, Chapter 5.

Life outcomes:

- i. Emmanuel Saez (2017), "Income and Wealth Inequality: Evidence and Policy Implications."
- j. Dan Ariely (2015), *Ted Talk: How Equal Do We Want the World to Be?*