The Hero’s Order

Using popular science fiction and fantasy to teach basic economics
Background: The Power of Story

**Purpose:** Using popular science fiction and fantasy to engage students in a basic economics course, introducing them to the economic way of thinking.

**Discover Course:** Freshman level course that introduces students to university life. Professors get to teach a topic of their choice in a seminar format. (Can be adapted to a Survey of Economics or Principles course.)

**Hope:** Get freshman interested in economics.
“God made man because He loves stories.”

- Elie Wiesel, *The Gates of the Forest*
Methodology

Underscoring the power of story to teach.

Using video clips, podcasts, movie assignments, books, and class discussions, to cover basic principles of economics.

Assignments involved weekly writing and presentations by students. (And originally, frequent tweeting on Twitter.)
For Katniss Everdeen, the Capitol provides a pretty clear incentive for hunting down her competition in the Hunger Games: kill or be killed. Fantasy and science fiction portray extreme worlds, but these imaginary societies operate on principles remarkably similar to those that govern our lives in the "real world." Characters in these stories face a variety of incentives that influence their actions. What motivates you? How does the state shape your choices? Moving from hobbits in Middle-earth to millennials in 21st-century America, this course investigates how institutions and incentives affect individual behavior.
Structure of the Class

- Movie Analysis - 25%
- Podcasts - 25%
- Other Homework & Presentations - 25%
- Final Project - 25%

All HW due at 8 AM

Attendance policy*

* - You have a limit of 2 unexcused absences for Discover courses before incurring 10 point penalty to grade per university policy.
Books

COMMON SENSE ECONOMICS
What Everyone Should Know About Wealth and Prosperity
JAMES GWARTNEY, RICHARD L. STROUP, DWIGHT R. LEE, AND TAWNI HUNT FERRARINI

THE ADVENTURES OF JOHNNY BUNKO
THE LAST CAREER GUIDE YOU'LL EVER NEED
Bestselling Author of A WHOLE NEW MIND
DANIEL H. PINK
ART BY ROB TEN PAS

LEVEL UP YOUR LIFE
HOW TO UNLOCK ADVENTURE AND HAPPINESS BY BECOMING THE HERO OF YOUR OWN STORY
STEVE KAMB
FOUNDER OF NERDFITNESS.COM
# Course Structure

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<th>Topic</th>
<th>Resource &amp; Presentations</th>
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<td>CSE1 - Twelve Keys Elements of Economics</td>
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<td>2) Progress and Prosperity</td>
<td>CSE2 - Seven Major Sources of Economic Progress</td>
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<td>3) Political Systems</td>
<td>CSE3 - Economic Progress and the Role of the Government</td>
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<td>4) Putting it Into Practice</td>
<td>CSE4 - Twelve Key Elements of Practical Personal Finance, Miscellaneous</td>
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<td>5) Being the Hero of Your Own Story</td>
<td><em>The Adventures of Johnny Bunko</em></td>
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EconTalk 3-2-1

● 1 week to listen to each Monday’s episode
● DUE EACH TUESDAY: 1-page, typed reaction
  ○ 3+ points about what you liked/agreed with
  ○ 2+ points about what you didn’t like, didn’t agree with, or had questions about
  ○ 1+ paragraph about any other thoughts/reactions, unfamiliar terms and concepts
● Be prepared for in-class discussion
● http://econtalk.org
Number 1 Rule in Class!

You're spoiling everything!
Studying the Structure of Societies using Stories
Framework for the Class

If you want to understand societies, you must understand *individuals*, the *incentives* they face, and the *institutions* they live under.
The Importance of Institutions
Thoughts?
North Korea Is the Exception

North Korea
Sea of Japan
South Korea
China
Japan
Yellow Sea
Do these facts move you?
The Human Stories Behind These Numbers
Framework for the Class

If you want to understand societies, you must understand *individuals*, the *incentives* they face, and the *institutions* they live under.
The Foundation

People respond to incentives.

So do elves, dwarves, hobbits… and even orcs!
Institutions Create Incentives

If you want to understand societies, you must understand *individuals*, the *incentives* they face, and the *institutions* they live under.
What is an individual?
What Are Institutions

- Any structure that governs *social order* and interaction, *often not intentionally designed*
  - Political
  - Legal
  - Cultural
  - Economic
  - Familial
  - Biological
To Recap

- individuals
- incentives
- institutions
The Tale of Two Koreas

North Korea and South Korea at night.

Why the differences?

Can you explain in terms of institutions, incentives, and individuals?
Making Analogies
LEGO Movie Analysis

1) List the incentives President Business, Emit, and three other characters of your choosing faced in the movie. Think deeply. What motivated each of them to do the things they did in the movie?

2) What political, economic, and legal institutions existed in the movie? Who controlled them? Does this world seem more like North Korea or South Korea to you? In what way? How is it like North Korea? How is it like South Korea?

3) How did President Business want to change the world? How did the Master Builders want to change the world? Which vision of the world would you rather live in? Why? Which type of world leads to more creativity, new ideas, and discovering new ways of doing things?
LEGO Movie Analysis (Continued)

4) What role did information play in the movie? Was there free flow of information throughout society or was it controlled in some way? If it was controlled, how? What was the effect of this on society?

5) Were prices and money mentioned at all in the movie? In what way?
Interaction
Types of Interactions?

1. **Destructive**: Negative-Sum
2. **Transfer**: Zero-Sum
3. **Constructive**: Positive Sum
Information
Would You Give Up the Internet?
Innovation
When **institutions** align the **incentives** of **individuals** toward positive-sum **interaction** and free flow of **information**, **innovation** naturally occurs.

The possibilities become endless!
Connecting to the Real World
Connecting to Stories
Hunger Games Movie Analysis

1) Why do you think District 12 is so poor?
2) Why is the Capitol so rich?
3) Would you characterize the interaction of the Hunger Games event as positive-sum, negative-sum, or zero-sum? Why? Are there any examples of the other types of interaction in the games? If so, what are they?
4) How would you characterize District 12's access to information? How do you think this affects their society and their level of prosperity?
5) What examples of innovation did you see in the movie? How did this innovation help the characters?
Prisoner’s Dilemma
Hunger Games on Opening Night!

THE HUNGER GAMES: CATCHING FIRE
EVERY REVOLUTION BEGINS WITH A SPARK
NOVEMBER 22
Hunger Games 2 Movie Analysis

1) Explain how the victors selected during the Quarter Quell for the 75th annual Hunger Games found themselves in a situation similar to a “prisoner’s dilemma.” Be specific.

2) In chapter 3, the book tells us: “Government promotes economic progress by protecting the rights of individuals and supplying a few goods that are difficult to proved through markets.” How well did the Capitol protect the rights of citizens in Hunger Games 2? Was it different in the Capitol than in the Districts? How do you think this affects the economic progress of the people living under this protection (or lack of protection)?
Hunger Games 2 Movie Analysis

3) The book says: “Government slows economic progress when it becomes heavily involved in providing favors to some at the expense of others.” What groups and/or individuals did the Capitol favor in Hunger Games 2? How do you think this affected overall economic progress for Panem?

4) According to our book: “Central planning replaces markets with politics, which wastes resources and retards economic progress.” What resources do you think the Capitol wasted in Hunger Games 2 (think of both physical resources and human resources such as lives, talents, etc.)? How does this affect the standard of living of people in the Districts? In the Capitol?
Final Project:
Being the Hero of Your Own Story
Being the Hero of Your Own Story

PURPOSE: The purpose of the assignment is for you to think about who you are, where you came from, and where you are going in life. How do each of these affect incentives that affect how you’re living you life? Put this into a form that you can communicate to the rest of the class. In essence, explain to us your story.

ASSIGNMENT: Create a PowerPoint presentation to present to the class that explains who you are and where you hope to go in life. Please feel liberty to make use of creativity, humor, and/or depth in your presentation. You must email me a copy of your presentation no later than 11:00 on Wednesday, December 10th.
Being the Hero of Your Own Story

1) Your Myers-Brigg personality type.
2) Your personal history (including ethnicity, where you’re from, etc.)
3) Your present (including major and expected earnings, clubs, teams, and something unique)
4) Your future (hopes and dreams, goals)
5) What superpower would you want and why?
6) What is one (or more) of your favorite things you learned in class this semester?
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<th>Economic Concepts</th>
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<td>The LEGO Movie (Replaced The Hobbit)</td>
<td>Comparative Advantage Institutions</td>
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<td>The Hunger Games</td>
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<td>The Incredibles</td>
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<td>The Walking Dead</td>
<td>Transaction Costs</td>
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<td>Gains from Trade</td>
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Lessons Learned

- *The Hunger Games* and *The Lego Movie* resonated w/ students, *The Hobbit* not so much
- Consider selecting past EconTalk podcasts to match topics covered, rather than listening to weekly episodes
- Students confused by the concept of institutions
- Twitter usage was an epic fail
- Students absolutely loved going to see *The Hunger Games 2, 3, & 4*
- Surprisingly, students were mixed on their interest in Marvel movies
Fruits of the Story So Far

- **SUPPLY**: Two chapters published in *Economics of the Undead*
  - *To Truck, Barter and Eat Your Brains*
  - *What Would the Reasonable Man Do In a World Gone Mad?*
- **DEMAND**: Getting ~ 2 students/year interested in majoring in Econ
  - More minors & students taking my Principles courses
Future Directions: Additional Stories

- New Hunger Games Movie in 2023
- Marvel Cinematic Universe
  - *Ant-Man* = transaction costs
  - *The Avengers* = comparative advantage
- Ready Player One
- Find a post-apocalyptic movie/show other than *The Walking Dead*
Future Directions: Extending the Framework?

- Instincts
  - Behavioral Economics
- Investment
  - Allows the past to touch the future
- Inference
  - Econometrics
  - Simple Regression?
- Intersection
  - with disciplines
- Inflation
- Interest
- Incremental
Questions or Comments?