

TEACHING ECONOMICS WITH SHORT STORIES*

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ABSTRACT

Using short stories as supplements to traditional economics courses or as part of non-traditional or interdisciplinary courses helps students to grasp economic concepts while diversifying readings and instructional methods in the classroom. The paper describes the pedagogical value of short stories, provides two detailed examples, and identifies numerous stories appropriate for use in the economics classroom.

Keywords: student engagement, short story, economic concepts.

JEL classifications: A20, A22.

1. INTRODUCTION

A constant challenge for teachers of university and college economics is the perception among many students that economics is boring, difficult and highly abstract. Such perceptions can operate as a barrier to effective student engagement with the core ideas presented in economics courses and can significantly undermine student motivation and learning. This is deeply ironic given the conviction of most economics professors that economics is very much about analyzing, understanding and explaining the real world. The problem partly lies in the ability of teachers to make useful links between the abstract mathematical tools of analysis taught in economics classes

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and the experience of their students. These teachers may also lack adequate pedagogical resources to make these links.

A common suggestion to enhance the link between what is frequently referred to as *theory* and practice is the business example or policy problem. There is much to be said for this approach of going to the newspapers, current affairs media and case literature for material to enhance “realism” in the classroom. But Watts and Smith (1989) and others have also documented the effectiveness of including English literature in economics courses to enhance the applicability of economics and motivate students. Another possibility in this vein is use of the short story. The typical brevity and intensity of short stories make them especially effective at conveying economic principles, offering students a pleasant surprise in the syllabus, and demonstrating the ubiquity of economic concepts. The emotional power of a short story can also provide undergraduates with a sense of the importance and complexity of an economic issue which might otherwise appear distant and abstract. In addition, active learning exercises based on short stories can lead to animated small group and class discussions and to enhanced student understanding of important points sometimes left out of the introductory course.

This paper documents the experience of the present author in making use of short stories in his own teaching. The following section reviews some of the pedagogical literature relevant to the use of English literature in the teaching of economics. Section 3 presents two case studies from the author’s own teaching experience. Section 4 discusses the response of students to this kind of teaching innovation while Section 5 concludes and makes some suggestions that might be of value to other economics instructors.

2. PEDAGOGICAL LITERATURE ON THE USE OF ENGLISH LITERATURE IN TEACHING ECONOMICS

Although the use of literature, films, and music in the economics classroom is not widespread (Becker & Watts 1998), articles on pedagogy outline many possibilities. Watts and Smith (1989) and Watts (1998, 2003) describe the use of literature and drama as supplements to the material in otherwise traditional courses. Kish-Goodling (1998) and Scahill (1998) present particular literary works as useful supplements to textbooks and news articles in economics courses. Hartley (2001) presents an introductory economics course for

non-majors based entirely on the great books of Western Civilization. Tinari and Khandke (2000), Mateer (2004), and Hall and Lawson (2008) use music to engage students in their principles courses. Leet and Houser (2003) and Bhadra (2006) have developed principles courses for non-majors using films and documentaries. Economists are not alone in their use of literature to teach subjects outside of the humanities. For example, Peters (2005) and Saletta (2006) describe their use of literature in teaching law.

Literature, music, and films enhance economics courses by offering students entertaining materials that are rich in economic content. The unexpected presence of fiction in the economics syllabus captures students' attention, especially important to do in introductory courses. The nontraditional material also demonstrates the usefulness of economic insight for understanding a broader range of subjects than students generally anticipate. Students enjoy the music, films, and literary works and thus are more likely to prepare for class, engage enthusiastically in assignments based on this material, and, indeed, sign up for the course.

Literature and film in general and short stories in particular can give undergraduate students a sense of the importance and complexity of economic issues that their own experience has not yet taught them. Given their inexperience, traditional undergraduates often lack much first-hand knowledge of the problems under study in an economics course. As a result, the relevance of economics to students' lives can be under-appreciated. The emotional power of a short story can provide a connection with the material that students' own experience does not. Thus, literature and film in economics courses can lead to increased student motivation to master the analytical frameworks central to introductory courses.

Much shorter than full-length movies, possessing a beginning, middle, and end as excerpts do not, and more accessible to students than poems, short stories prove very effective additions to economics courses where class preparation is also likely to include a substantial amount of technical reading and other work. Joyce Carol Oates describes the short story as "a prose piece that is not a mere concatenation of events, as in a news account or an anecdote, but an intensification of meaning by way of events" (Oates 1992, p. 7). The intensity of a short story enables even a short reading to illustrate complex economic ideas.

Given their focus on emotional interactions, stories serve particularly well when the nature of human behavior is the focus of study. For example, short stories can spark animated discussions about the rationality assumption common in many economic models. Similarly, short stories have served well to accompany student discussion of the Coase Theorem and the nature of transactions costs, especially when the outcome perceived as fair differs from the efficient one. Stories can provide relatively affluent students from First World nations a sense of the human misery in impoverished nations impossible to attain merely by examining statistical information and objective description alone. Table 1 presents a list of short stories in which I have found useful economic content for my own teaching.¹ The following section describes two examples of short stories I have used in the economics classroom.

Table 1: Short Stories with Economic Content

Author	Story	Source	Concepts
Akpan, Uwem	An Ex-Mas Feast	<i>The New Yorker</i> . June 13 & 20, 2005.	Development.
Alarcón, Daniel	City of Clowns	<i>The New Yorker</i> . June 16 & 23, 2003.	Participation in market economy. Rule of law.
Crace, Jim	Talking Skull	Crace, Jim. <i>Continent</i> . (Hopewell, NJ: The Ecco Press)	Buyers' valuations.
Gautreaux, Tim	Same Place, Same Things	Stone, Robert B. and Kenison, Katrina eds. <i>The Best American Short Stories: 1992</i> . (Boston: Houghton Mifflin Company)	Unemployment. Business cycles.
Gurganis, Allan	He's at the Office	Doctorow, E.L. and Kenison, Katrina eds. <i>The Best American Short Stories: 2000</i> . (Boston: Houghton Mifflin Company)	Labor markets. Non-monetary benefits and costs.

¹ An expanded list will be maintained online.

Table 1 (cont'd)

Author	Story	Source	Concepts
Jen, Gish	Birthmates	Smiley, Jane, and Kenison, Katrina eds. <i>The Best American Short Stories: 1995</i> . (Boston: Houghton Mifflin Company)	Competitive firm costs. Creative destruction. Technological change.
Jensen, Geeta Sharma	A Good Country	<i>The Atlantic Monthly</i> , Vol. 291, No. 4 May, 2003.	Externalities. Property rights. Rule of law.
Mueenuddin, Daniyal	Nawabdin Electrician	<i>The New Yorker</i> , August 27, 2007	Development economics. Rule of law.
Naipaul, V.S.	Suckers	<i>The New Yorker</i> , June 7, 2004	Diminishing marginal utility. Socioeconomic class distinctions.
Parker, Dorothy	Standard of Living	Adams, Gill, Brendan ed. 1976. <i>The Portable Dorothy Parker</i> . (New York: Penguin Books)	Positional externalities.
Proulx, Annie	What Kind of Furniture Would Jesus Pick?	<i>The New Yorker</i> . August 18, 2003.	Supply and demand. Externalities.
Twain, Mark	Legend of the Capitoline Venus	Neider, Charles ed. 1957. <i>The Complete Short Stories of Mark Twain</i> . (New York: Bantam Books)	Buyers' valuations.
Twain, Mark	The Facts in the Great Beef Contract	Neider, Charles ed. op. cit.	Marginal cost and price.
Updike, John	My Father on the Verge of Disgrace	Keillor, Garrison, and Kenison, Katrina eds. <i>The Best American Short Stories: 1998</i> . (Boston: Houghton Mifflin Company)	Unemployment. Business cycles. Positional externalities.
Vapnyar, Lara	Broccoli	<i>The New Yorker</i> . January 5, 2004.	Market economy. Consumer culture. Search costs.
Wolff, Tobias	The Benefit of the Doubt	<i>The New Yorker</i> . July 14 & 21, 2003.	Income distribution.

3. TEACHING WITH SHORT STORIES: TWO CASE STUDIES

Two examples demonstrate how I have used short stories in the economics principles classroom. Annie Proulx's "What Kind of Furniture Would Jesus Pick" (2003) portrays the struggles of a Wyoming cattle rancher beset by falling output prices, rising input costs, and encroachment by methane miners and "suitcase ranchers." Geeta Sharma Jensen's "A Good Country" (2003) depicts Burmese immigrants caught in the middle of a neighborhood dispute over the interpretation and enforcement of local zoning laws. These cases are briefly outlined in turn.

(a) Proulx (2003)

The Proulx story has as its central theme the decline of the ranching economy in the region as land prices are bid up by "the new-moneyed suitcase ranchers who had moved in around [Gilbert Wolfscale] – ex-California real-estate agents, fabulous doctors, and retired cola executives" (p. 129). Unit costs had also been driven up by drought, and prices had fallen with a decline in beef consumption and competition from more efficient producers. The story provides examples of numerous economic issues including competitive market function, implicit costs and benefits, property rights, negative externalities caused by cattle in streams and methane mining, and the process of "creative destruction" as the ranching industry disappears and other economic activity takes its place.

Several sections of the story are so dense with economic content that students can work in small groups with one section alone during part of a class to identify and analyze as many issues as they are able. For example:

After Gilbert Wolfscale inherited the ranch, he enlarged the two irrigated alfalfa fields, which made it possible, in bad years, to feed the cattle through the winter and, in good years, to sell hay to less fortunate outfits. These two fields kept the ledger ink black. He came up with other ideas to increase income. He thought of butchering and packing the beef himself to bypass the middlemen who took the money while the rancher did the work, but the local stores preferred to stay with the chain suppliers. So he put an ad in the paper looking for customers and found half a dozen, but they didn't eat enough beef to make the venture pay and a woman from town complained that there were bone splinters in the ground beef. He raised turkeys, thinking surefire Thanksgiving and Christmas markets, but never sold very many, even when he put strings of cranberries around their necks. His mother spent days making the cranberry necklaces, but people wanted the plastic-wrapped, pre-basted Safeway turkeys with breasts like Las Vegas strippers. He and his mother ate the turkeys themselves, his mother canning most of the meat. By spring, they were sick of the smell of turkey soup. (Proulx 2003, p.127)

The role of middlemen in the economy is an area of particular confusion for students in principles courses and this passage generally leads to an active discussion – even in classes of sixty students who have worked in small groups beforehand – about the service provided by middlemen and the justice of the share of the retail price that accrues to the producer. This selection also can lead to discussions of economies of scale and diminishing marginal utility.

(b) Jensen (2003)

Externalities and property rights lie at the core of Jensen’s “A Good Country” in which Burmese immigrants in a Wisconsin community find themselves at the center of a dispute over a neighbor’s yard full of rusting machines. As the former farm community becomes a populous ex-urb, recent arrivals insist that a long-time resident must clean up the derelict equipment in his yard. In the story, social norms and zoning laws lead to different conclusions regarding whether the old-timer should clean up or the suburbanites should tolerate the mess.

“Now, I want to ask you – what do you think of my yard? I mean, does it bother you?”

“I looked at him, puzzled. “It’s a very nice yard, Mr. Cooper, very fine, very fine. It is as it’s always been since we came. Why do you ask about it now?”

His big head moved up and down slowly. “Yes, nothing different about it, is there? Yet, Suu, all of a sudden they’re trying to shut me down. They say I’m spoiling the countryside.”

“Who says?”

“Them,” he said, waving his hand in the direction of the ranch house on the shady road curving past our houses.

The Bishops?” I laughed. “You are teasing me, Mr. Cooper. The Bishops cannot even see all of your yard from their house. The firs and oaks are in their way.” (Jensen 2003, p.94)

Students can debate the question of whether clean-up by the old-timer or tolerance on the part of the new neighbors would be fair or economically efficient. The nature of the transactions costs that have impeded a Coasian solution to the problem – different social norms regarding fairness for people from urban and rural communities – can also generate a useful class discussion.

Providing students with discussion questions in advance improves the quality of the class discussion. Table 2 presents possible discussion questions for each of the stories considered above. The stories lend themselves well to many class formats, including traditional lecture, small group work, or in-class writing assignments.

Table 2: Possible Discussion Questions

Story 1: “What Kind of Furniture Would Jesus Pick?”

1. What economic events have affected the fortunes of “The Harp,” Gilbert Wolfscale’s ranch in the story? Where appropriate, use the supply-demand framework to analyze the effect of the event on the quantity sold and price in the market for beef.
 2. Consider the attached passages from the story. Identify and explain briefly as many economic issues as you can.
 3. The narrator of the story describes middlemen as “[taking] the money while the ranchers did the work.” Is this an accurate characterization of middlemen? What service do middlemen provide and why might it be difficult for producers and retailers to provide the service themselves?
 4. Explain the externality issues in the story that affect pronghorn migration patterns, stream bank erosion, and ground water salination.
 5. What explains Gilbert’s resistance to selling an easement to the owner of the “million-dollar luxury house?”
 6. What explains Gilbert’s resistance to the information from the Extension Service?
 7. His ex-wife Suzzy points out that Gilbert “could a sold the place fifty times over and lived decent if he got a job like a normal human bein.” She is certainly right when monetary benefits and costs are considered. Why doesn’t Gilbert sell? Is he acting rationally?
 8. The Wyoming ranch economy is disappearing. What policy intervention, if any, should the government take?
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Story 2: “A Good Country”

1. What is the externality issue at the center of the story?
 2. Which party seems to have the lower cost of adjusting to solve the problem?
 3. The Coase Theorem (as stated in Mankiw 2007, p. 210) holds that “if private parties can bargain without cost over the allocation of resources, they can solve the problem of externalities on their own.” What are the transactions costs impeding a private solution in the story? How common are such impediments to negotiation in the “real world?”
 4. Should the zoning laws be enforced in this situation or waived as the petition requests? What is fair? What is efficient?
 5. What kept Wisconsin from being a good country for Shwe?
 6. In what sense is Bettina more foreign to Pine Grove, Wisconsin, than Suu?
 7. Describe the conflict between the farmers and the new residents over the level of public amenities that should be provided by government. What is the proper level of government services and how should the services be financed?
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4. STUDENT FEEDBACK

The small size of classes at Pacific University in Forest Grove, Oregon and the fact that single sections of each principles course are taught each semester have made it difficult to formally test the effect of using shorts stories on student learning. However, student satisfaction with courses that have included short stories and with the stories themselves, offer some evidence of the positive effect of including short stories in introductory economics classes.

Student ratings for a course designed for non-majors called *Economics in Short Stories, Poems, and Plays* was overwhelmingly positive. Of 22 students completing evaluations for this course, 16 strongly agreed and 6 agreed with the statement that the “[i]nstructor taught the course well”.² A second broad summary statement on the evaluation form was: “The course was a positive intellectual experience.” Half the students strongly agreed with this statement, seven agreed, and four slightly agreed. Comments such as: “really liked the lit mix on such a dry topic”; and “interesting to see econ in the different plays, stories, and poems” were typical of open-ended student responses to the course.

Student satisfaction with the traditional *Principles of Microeconomics* course has been similarly high across a number of the last several semesters. When asked to comment on the short story readings used in this course, students provided overwhelmingly positive feedback. Many students praised the stories for “providing a strong source of real-world economic examples,” as one student put it. Also common were comments such as: “I think the short stories were the best pieces we read in class. I enjoyed reading them because they were leading to something.”

Such feedback echoes the positive student reactions described by Watts and Smith (1989) and justifies further experimentation with this approach to teaching undergraduate economics subjects as well as further efforts to more rigorously measure its impact on student learning of core economic concepts.

5. CONCLUSION

The short story offers economics instructors and their students a powerful device to illustrate economic concepts and to vary the format

² The possible responses to the statements on the evaluations are “strongly agree,” “agree,” “slightly agree,” “disagree,” and “strongly disagree.”

of classes. Whether as supplements to otherwise traditional economics courses or as part of non-traditional economics or interdisciplinary courses, short stories, focused on economic concepts, pack a great deal into short, enjoyable, and accessible reading assignments. Stories convey the connection between the economic concepts under study and the world surrounding the students in a manner that textbook reading and even periodical articles often cannot. Class discussions focused on stories often succeed in drawing out contributions to class discussions from quiet or struggling students who might learn from a story what they cannot glean from an economics text, lecture, or class discussion. Positive student feedback on courses using short stories at Pacific University justify further efforts to experiment with such courses and to carefully measure their impact on student learning of economics.

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In NETworking: Using Short Stories in the English Classroom, you will find teaching resources that are designed to support the Learning English through Short Stories elective module in the Three-year Senior Secondary English Language Curriculum. Many of the materials in this book have been used in the professional development workshops for “Shorts”™: A Short Story Writing Competition organised by the NET Section. The workshop materials have been revised and updated for this publication to be used more generally in the elective module on Short Stories. Although this resource package is designed