

Using Drew Carey in the Classroom

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Abstract

This teaching note describes how to use Drew Carey's short public policy documentaries in the classroom, and as part of a writing assignment for an introductory microeconomics class. Students are challenged to identify the core microeconomic concepts that are relevant to real-world policy matters, including healthcare, immigration and jobs.

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I. Introduction

Commentators on the current state of higher education often point out that most teaching in universities is done the way Socrates did it 2,400 years ago (Vedder, 2004). Recently, however, a number of writers have begun systematically developing the pedagogy of using videos in conjunction with teaching economics.¹ Since 2007, comedian Drew Carey has released tens of entertaining, short documentary videos that can be used with great success to highlight core economic concepts as well as market-based policies.² These videos are a useful addition to the classroom toolkits of college

* I thank valuable comments from the editor, an anonymous referee, the audience at APEE's 2010 conference, and Mark Brady. As a complement to this article, I have created a video based around my presentation at the APEE conference. I have also created a number of multiple choice questions. A link to the video, and the multiple-choice questions, are provided in the draft version of this article, available here: <http://www.sjsu.edu/faculty/matthew.holian/drewcarey.pdf>.

¹ See Diamond (2009), Mateer and Li (2008), Mateer (2005), Hall (2001), Formaini (2001), and Hammock et al. (2000).

² There are currently more than 20 episodes available. These videos are posted on <http://reason.tv> and have so far been available as free streaming Internet videos. For videos that highlight contrasting policy positions, I use the PBS *NewsHour* website; navigating it can be somewhat tricky, but students can watch streaming full-length episodes at their convenience: <http://video.pbs.org/program/979359630/>.

economics professors because showing them can enliven a lecture and bring the issues closer to home. Most importantly, the videos can be connected to the topics of the standard principles of economics curriculum: supply and demand, price controls, opportunity cost, and so on.

The main difficulty for an instructor showing these videos is in making the connections between the topics of the standard curriculum and the storyline of the videos. Some videos definitely work better than others for this purpose. On the other hand, as I hope to convince the reader with this note, these videos definitely can be used with great effect for the purpose of teaching microeconomics. Many of these videos are highly complementary to each other. This facilitates showing multiple videos in one class session or using them as the basis for a writing assignment that requires the students to compare and contrast two or more videos.³

As examples of how multiple videos can be complementary to each other, combining the first video I will discuss, on technology and trade, with the video on the middle class and the one on immigration usually makes for a nice discussion on the connections between globalization and innovation.⁴ The other two videos I discuss in this article are on kidney sales and medical marijuana, and together these two can provide the backdrop for a discussion on health policy, perhaps combined with the video on “bacon dogs.”⁵

³ In my class, there is a required writing assignment, and I have found that some students greatly benefit from following a somewhat rigid outline. In particular, I suggest students follow the “5 x 5 x 5” outline; it is a paper with five sections, with five paragraphs per section, and five sentences per paragraph. The five sections are the introduction, discussion of video one, discussion of video two, discussion of video three, and a conclusion. My intention with this rigid outline is not actually to make sure students follow it exactly, but rather to force them to think organizationally about writing. But constraining my students’ writing in this way has been so useful that I even suggest to them their thesis statement: “This paper will show how the core principles of microeconomics relate to three videos from the Drew Carey Project.” This format could work equally well with the *NewsHour* videos I referenced above; the suggested thesis statement would be modified by substituting “PBS *NewsHour*” for “Drew Carey Project.”

⁴ For easier reference, the technology and trade video is Episode 15, immigration is Episode 10, and the middle class video is Episode 7.

⁵ The kidney sales video is Episode 9, the medical marijuana video is Episode 2, and the bacon dogs video is Episode 11.

II. Mexicans and Machines: Why it's Time to Lay off NAFTA (7:43)

This video, originally released during the run-up to the 2008 presidential election, begins by highlighting the negative view that some in the media and government have toward the North American Free Trade Agreement (NAFTA). It then equates this position with the view the Luddites had toward technology in nineteenth-century England. After showing the video in class, we scrutinize the concrete arguments the video puts forth. We also explore some arguments that the video does not discuss, but which are nevertheless related.

The deep point that I aim to stress with this video is that globalization and technology are intimately related. Indeed, globalization can be defined as the gradual reduction in the costs of trade, where the reductions (e.g., transportation and transaction costs) were often caused by technological advancement.⁶ *Mexicans and Machines* can be used to illustrate the effects of both technology and tariff reductions on jobs and wages. During the lecture, after we have watched the video together, I analyze a demand and supply model for both skilled and unskilled workers, in both the US and Mexico. This results in a simultaneous analysis of four related markets.⁷ I explain how in the United States, globalization, like an improvement in technology, decreases demand for unskilled labor but increases demand for skilled labor.

The particular model I highlight of course rests on simplifying assumptions. For example, the new technology here is labor saving in nature; see Taylor (2008, pp.92–94) for a textbook treatment. Essentially, the main arguments have long been known. Hazlett (1952, p.48) discusses how the introduction of a new machine can create new (skilled) jobs: Tom Jones “has just got a new job in making the new machine, and Ted Brown...has just got a job operating one...”

The video also describes how, like technology, tariff reductions destroy some jobs but create other jobs as well. The video explains this by noting that, by making some goods cheaper, tariff reductions free up consumers' income to buy other goods and services, and this

⁶ Spulber (2007, p.6) presents a similar definition. By conceptualizing immigration as trade in factors of production, both this and the immigration video (Episode 10) can be seen as a type of globalization.

⁷ I depict the four markets graphically in two-by-two fashion, where the “rows” are skilled and unskilled, and the “columns” are the United States and Mexico.

has the effect of increasing demand for other types of labor. A similar point was also made by Hazlitt (1952, p.48) in connection to new technology: "...Daisy Miller...can now buy a coat for half what it used to cost her," and this frees her to buy other goods. The general argument is the same, whether couched in free-trade or technology terms.

However, just as one can tell multiple stories in the case of technology for the increasing demand for labor, one could also tell another story, a comparative advantage story, to motivate the labor supply and demand model described above. After opening up trade and specializing, production of the good in which the country has a comparative disadvantage will decrease, and so demand for the labor that was used in that process will fall. However, with trade an economy will increase production of those goods in which it has a comparative advantage, and so demand for labor in these industries will rise. With respect to the United States and Mexico, this version of the story nicely parallels the technology story (Taylor, 2008; Hazlitt, 1952) referenced above, as long as one is willing to assume that the United States has a comparative advantage in the production of goods that require skilled labor.

III. Organ Transplants: Kidneys for Sale (9:44)

This documentary explores the issue of legalizing organ sales as a policy to reduce the shortage of organs for transplants, focusing especially on kidneys. One segment follows a patient who is on a transplant waiting list as she begins her morning at a dialysis center. Another segment interviews a kidney donor. While both of these individuals are in favor of legalizing organ sales, the video also interviews a transplant surgeon who is against legalization. In this sense, whereas Drew Carey's pro-legalization position is obvious, this video fairly portrays both sides of the debate.

The chronic shortage of kidneys in the United States and other countries is an issue about which few students are aware, but this documentary relates some powerful data and, more importantly, vivid personal stories that drive home the gravity of the problem. Bans on organ sales are frequently modeled as a price ceiling set at a price of zero (Mankiw, 2007. p.152). This model also presents a nice opportunity to discuss consumer surplus and producer surplus.

The topic of altruism (and the crowding-out of altruism) can also be incorporated into the discussion. Epstein (2008) presents a supply

and demand model for organs that incorporates altruism via an organ supply curve with a negative price intercept, and describes the argument for how introducing compensation might cause a leftward shift in the organ supply curve. Epstein's position is actually not that a large shift of this sort would be likely to occur, but this model can be used to explain (and lend credibility to) the position held by the doctor that is interviewed in the video.

Overall, I find the whole exercise most useful in highlighting the difference between movements versus shifts in supply. Removing the price ceiling incentivizes donors, causing a movement along the supply curve to the northeast; however, if legalizing organ sales leads to a crowding-out of altruism, this would cause a leftward shift in supply.

IV. Medical Marijuana: Drew Carey Defends Medical Marijuana (10:41)

As with the other videos discussed, Drew Carey's position on marijuana legalization in this video is clear: he argues for legalization. The concept of paternalism is also relevant here, which connects this video with the documentary on organ sales. With respect to economic concepts, several segments nicely illustrate opportunity cost, though the narrative is free of economic jargon. After watching it together, I again take the liberty to connect the themes in the videos with models that were not discussed in the video but which broadly relate to the issue.

In California and other states, patients with a doctor's prescription can now purchase medical marijuana without violating state or local laws, though the federal law criminalizing possession and sale of marijuana remains in place. Prohibition of marijuana parallels in many ways prohibition of alcohol in the 1920s, and this video presents the opportunity to relate the current U.S. drug policy to historical events and economic analysis. The best context I have found within which to discuss this video is the supply and demand model, as above with the *Mexicans and the Machines* video, but this time in a product market setting.

Perhaps due to having first watched the kidney video, students are often tempted to conceptualize the issue of prohibition with "quantity ceilings." However, I have found a simple supply and demand analysis of black markets more illuminating. Sharp et al. (2004, pp.123–25) describe how decriminalizing marijuana would

cause the demand for marijuana to increase modestly, whereas the supply would increase more dramatically. This is because dealers are generally punished more harshly than users. The combined effects of these two shifts, of course, are that equilibrium price goes down and equilibrium quantity traded goes up.⁸

In their term papers, students have also usually identified the following other likely consequences of legalization: quality and transparency increases, less criminal activity, and a release of enforcement resources into more productive uses. Sharp et al. (2004) discuss legalization's effect on freeing up enforcement resources, but perhaps as a result of one scene in the video, in which a patient recalls an episode where she waited in a parking lot for hours for her dealer to arrive, students also recognize that legalization would reduce transaction and opportunity costs for consumers that are associated with black market procurement.

V. Conclusion

Using the episodes of the Drew Carey Project in lectures and writing assignments is a great way to encourage interest in public policy debates and the study of economics. Students are presented with short but interesting and entertaining episodes on issues to which they can relate. These videos can then be used to illustrate the core principles of microeconomics, and so fit quite naturally in the classroom.

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⁸ The strongest argument made by opponents of legalization is that quantity consumed, and therefore marijuana consumption's negative consequences, would likely go up; see Miron (2010).

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