

ECON 101: FREAKONOMICS

I. Course Overview and Objectives:

The goal of this course is to enable you to communicate economic ideas clearly and effectively in both oral and written form. The course is structured around the process of writing an economic paper in stages with a significant amount of feedback and guidance along the way. By the end of the quarter, I hope that we will have achieved the following learning goals:

- Rhetoric – Students will be able to communicate effectively both in terms of delivery of their own ideas in oral and written form and active listening to and reading of the ideas of their peers.
- Research – Students will be able to think like economists and implement good research practices useful in academic and non-academic settings.
- Review – Students will be able to work with others to review and discuss ideas of their fellow students. Students will be able to understand the perspective of fellow students, provide constructive feedback on areas of agreement and disagreement, and suggest areas for clarification, extensions, or improvement.

The context of the course is Steve Levitt and Stephen Dubner's *Freakonomics*. We will accomplish our goals by learning to read critically, discuss, and present the economic papers on which this book is based. In parallel, students will propose a research question that will serve as the basis for subsequent writing assignments throughout the class, culminating with a final research paper. For your paper, students may choose any topic in economics or any topic outside of economics where you can apply economic reasoning, à la *Freakonomics*. The final paper must include original economic analysis. Students will have the opportunity to revise their papers and suggest revisions to their peers.

II. Rules and Regulations

Attendance:

Required. Your active participation in class discussion constitutes a significant portion of your grade- see below.

Economics Department Common Course Policies:

All courses taught in the Stanford Department of Economics are governed by a common set of course management rules. A document explaining these rules may be found on the Economics Department website at <http://economics.stanford.edu/undergraduate/economics-common-syllabus>.

Please be sure to read this document in its entirety and let me know me if you have any questions.

Written Assignments:

Certain written assignments will be submitted in triplicate to the TA (Pedro Miranda) and your two assigned peer reviewers. Written assignments should be done in a suitable font, such as Times New Roman, 11 or 12 point size, and double spaced so that readers have ample space for comments. No late assignments will be accepted, nonnegotiable.

Grading:

Your course grade will be based on the following:

Oral Communication:

- Leadership of class discussion 15%
- Participation in discussion led by peers 15%
- Final paper presentation 10%

Written Communication:

- Research question 10%
- Outline 10%
- First draft 15%
- Peer review 5%
- Final paper 20%

III. Deliverables

You will receive detailed guidance on the following deliverables throughout the quarter.

Research question and 5 minute oral presentation- Turn in an approximately 2 page summary of the research question that you would like to cover in your paper for this class. This summary should include a description of the problem and provide at a high level any background information necessary to understand it, break it down into its main economic components and the key economic question, and suggest a few economic concepts that may apply in assessing the economic problem. The statement of the research question should make explicit to the reader why he/she should be interested in the question and why it is worthy of study. The summary should conclude with some thoughts or at least hints on how you might proceed, empirically. Time permitting, you will present your proposed research question informally in class, and you will be asked to provide feedback on the research questions of your peers.

Outline and annotated bibliography- Turn in a few page summary of your paper in outline form. The main topic areas for the outline may include: introduction (economic situation and background information, applicable economic concepts, discussion of how the economic concepts apply to the economic question with its significance) literature, data, empirical support, and conclusions. Each topic heading should contain subheadings as appropriate as well as bullets with the main information, points, etc that you want to convey in that section in the logical order of presentation. It is also okay to make notes in the outline regarding areas on which you need to do further research to complete. This step is intended to help you organize and synthesize your ideas from the first written assignment, feedback you've received, analytical tools that you have honed in discussing *Freakonomics* articles, and additional work that you've done in preparation for the draft paper using library and data resources, as well as to create a game plan for the steps that you want to take to create the completed paper.

First draft of complete paper- Turn in an 8 to 12 page full draft of your paper plus any tables or graphs that you want to include (optional) and a bibliography. The paper should include an introduction to the topic and economic question addressed in the paper, a discussion of the economic situation and background, a discussion of the economic concepts and theory that apply, a discussion integrating the economic situation and relevant economic theory with conclusions about what the theory would suggest about the economic situation, empirical evidence supporting your conclusions, and a summary of the main "take aways" from the paper. The paper must contain some of your own thought and ideas rather than just a literature summary. Empirical evidence may consist of some supporting statistics, but in most cases will consist of results from a regression that you run. You are strongly encouraged but not absolutely required to run a regression of your own. Students who do run a regression typically have the most successful papers.

Class discussion leadership- You will choose an article from the assigned *Freakonomics* readings and lead a 45 minute in-class discussion section based on the paper. You must make discussion questions available on-line at least 24 hours prior to your scheduled discussion. Your discussion should summarize the key points of the paper, critique the authors, examine any implications of the findings for public policy, and suggest how you would extend/ improve the paper if you had the opportunity. Discussions may also be used in part to assess the rhetorical efficacy of the readings. Subject to prior approval, you may lead a discussion on a paper not on the list but of special interest to you. In this case, you are responsible for circulating materials (article or link, etc.) to your peers and instructors sufficiently in advance.

Peer review- You will be assigned into a group with two other students in the class. The individuals in the group will be responsible for providing peer reviews for one another. Some of these reviews are provided orally during class discussion and some are provided in written form.

Final draft of complete paper and in class presentation- Turn in the final (8-12 page) version of your paper. This should be the draft version of the paper substantially revised to take into consideration comments received from your peers, the teaching assistant and the instructor.

Each student will do a 15 minute oral presentation of their paper to the class. This is the fun part of the class where we get to learn lots of interesting things that your fellow students have discovered! It is recommended that you use Power Point. The idea here is to boil down your paper to the main points, then present the economic situation, the question and how you got to your conclusion in a clear and concise manner.

IV. Tentative Schedule

subject to revision...

Date	In class	Due
9/21	Introduction	
9/23	<ul style="list-style-type: none"> • Finding and articulating a research question • Reading empirical papers • Professor led discussion of paper 	Readings + discussion Q's: Graddy (1996)
9/28	<i>No Class, Yom Kippur</i>	
9/30	Social sciences resources at <i>Green library, Bing Wing 121A Seminar Room at 9:30</i>	
10/5	Quantitative resources orientation at <i>Green library, Bing Wing SSRC Multimedia Room at 9:30</i>	Research questions due
10/7	Informal presentations of research questions	
10/12	One-on-one meetings with professor & TA	
10/14	Student led discussion of papers	
10/19	Student led discussion of papers	Outline due
10/21	Student led discussion of papers	
10/26	<ul style="list-style-type: none"> • Writing introductions and conclusions • Student led discussion of paper 	
10/28	Student led discussion of papers	
11/2	Student led discussion of papers	1 st Draft of Paper due
11/4	Student led discussion of papers	
11/9	Small group writing and revision workshop	Written peer review due
11/11	One-on-one meetings with professor & TA	
11/16	Student led discussion of papers	
11/23	<i>No Class, Thanksgiving Recess</i>	
11/25	<i>No Class, Thanksgiving Recess</i>	
11/18	Final paper presentations	
11/30	Final paper presentations	
12/2	Final paper presentations	
12/4		Final Paper Due

V. Reading list

Levitt and Dubner (2005) *Freakonomics: A rogue explores the hidden side of everything*, Harper Collins.

Chapter 1: Incentives

- Hubbard (2002) “How do consumers motivate experts? Incentives in the auto repair market”
- Lazear (2000) “Performance pay and productivity”
- Duggan and Levitt (2002) “Winning isn’t everything: corruption in sumo wrestling”
- Porter (1981) “A study of cartel stability: the Joint Executive Committee, 1880 – 1886” (not in reader, available on-line)

Chapter 2: Asymmetric Information

- Ariely, Mitsch, and Hortacsu (2005) “What makes you click: on-line dating”
- Jin and Leslie (2008) “Reputational incentives for restaurant hygiene”

Chapter 3: Crime, Drugs, and Gangs

- Venkatesh and Levitt (2000) “An economic analysis of a drug-selling gang’s finances”
- Venkatesh and Levitt (2000) “Are we a family or a business? History and disjuncture in the urban American street gang”
- Fryer, Heaton, Levitt, and Murphy (2005) “Measuring the impact of crack cocaine”

Prostitution (chapter in forthcoming edition of *Freakonomics*)

- Gertler, P., M. Shah and S. Bertozzi (2005) “Risky Business: The Market for Unprotected Commercial Sex.” *The Journal of Political Economy* 113(3): 518-550.
- Steven D. Levitt and Sudhir Alladi Venkatesh (2007) “An Empirical Analysis of Street-Level Prostitution”
- Brooks (2007) “In Da Club: An Econometric Analysis of Strip Club Patrons”

Chapter 4: Guns, Crime, and Punishment

- Kuziemko and Levitt (2004) “Empirical analysis of imprisoning drug offenders”
- Comanor and Phillips (1999) “Impact of income and family structure on delinquency”
- Levitt (2004) “Understanding why crime fell in the 1990s: four factors that explain the decline and six that do not”

Chapter 5: Parenting and Schooling

- Neal and Johnson (1996) “The role of pre-market factors in black-white wage differences”
- Cullen, Jacob, and Levitt (2005) “Impact of school choice on student outcomes: an analysis of Chicago public schools”

Chapter 6: Discrimination

- Fryer and Levitt (2004) “The causes and consequences of distinctly black names”
- Figlio (2006) “Names, expectations, and the black-white test score gap”
- Bertrand and Mullainathan (2004) “Are Emily and Greg more employable than Lakisha and Jamal? A field experiment on labor market discrimination”
- Graddy (1996) “Testing for imperfect competition at the Fulton Fish Market”

Additional Resources on Writing

- McCloskey, Deirdre, *The Rhetoric of Economics*
- McCloskey, Deidre, *Economical Writing*
- Williams, Joesph, *Style: Ten Lessons in Clarity and Grace*
- Strunk, William, and E.B. White, *The Elements of Style*