

# Increasing ethical awareness in teaching principles of macroeconomics: An incremental approach

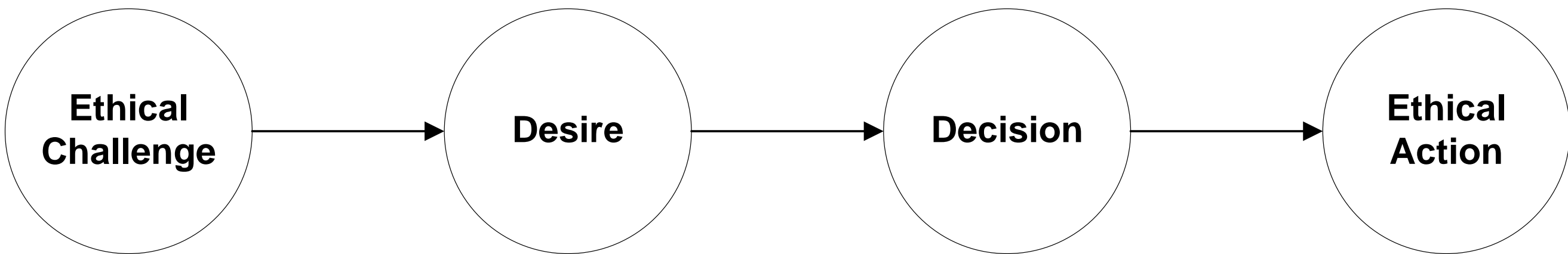
## Abstract

Exposure to ethical concerns in introductory economics coursework tends to be minimal. A great deal of research suggests that students studying economics act in a more self-interested fashion than those focusing on other subjects. Using an ethical decision-making framework for motivation, this poster describes an incremental change in a principles of macroeconomics course to increase ethical awareness among students. The intervention introduces five short low stakes writing assignments where students read an article highlighting an ethical issue in macroeconomics and ask students to reflect on that issue with directed writing prompts. A pre- and post-survey asking students their opinion as to whether macroeconomists care or should care about ethical issues is administered.

## Introduction

The **ethical decision-making framework** as shown in **Figure 1** begins with awareness of an ethical challenge. With self-regulation and other moral competencies a consciously imposed effort can potentially lead to a desire to act, decision to act, and ultimately to engaging in an ethical action.

Figure 1: Ethical Decision-Making Framework



To promote ethical awareness in introductory macroeconomics we assigned students five short writing assignments requiring an at least four sentence response. They were low stakes comprising only 10% of the course grade. For each assignment students were given a link to an article about an ethical-related issue and a macroeconomics topic along with a writing prompt to offer their opinion about it. Topics corresponded with the course topic of the week and included the following macroeconomic topics: Gross Domestic Product (GDP), inflation, labor market, monetary policy, and foreign investment.

## The Assignments

- 1) The following link is to a brief article about some alternative measures to GDP. <https://www.stlouisfed.org/open-vault/2023/apr/three-other-ways-to-measure-economic-health-beyond-gdp> In your opinion are these alternative measures to GDP better or worse than GDP (or about the same)?
- 2) The following link is to a brief article about inflation inequality. <https://cepr.org/voxeu/columns/evidence-and-explanation-recent-surge-inflation-inequality> In your opinion is inflation inequality a real concern or not?
- 3) The following link is to a brief article about layoffs. <https://www.cnbc.com/2024/01/20/as-companies-lay-off-even-more-workers-they-could-be-making-a-mistake.html> In your opinion if a company expects a downturn in the future is it ethical for them to layoff workers in the present?
- 4) The following link is to a brief article about monetary policy and income equality. <https://mitsloan.mit.edu/ideas-made-to-matter/should-central-banks-address-inequality-experts-weigh> In your opinion, should a Central Bank address inequality?
- 5) The following link is to a brief article about ESG and Foreign Direct Investment. <https://www.investmentmonitor.ai/features/fdi-drivers-in-2022-esg-sustainability/?cf-view> In your opinion, should ESG investing be used as a guide for foreign investments?

## Data

- Online principles of macroeconomics section
  - Spring 2024 – 273 students completed writing assignments & took surveys
  - 96 economics majors, 177 non-economics majors
- Pre- and Post-Survey
  - Students self-report their major
  - Positive economics question: "Consider the following statement. "Macroeconomists care about ethical issues." To what extent do you agree or not with that statement?"
  - Normative economics question: "To what extent do you think macroeconomics should consider ethical issues?"
  - 5-point Likert scale responses

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## Writing Assignment Results

- 84.17% of students completed all five assignments; 96.40% of students completed at least four of the five assignments; all students completed at least one written assignment
- Average student response was about 121 words, which would be approximately 6-8 sentences per response
- Average words per response generally declined over the quarter. The first written assignment had an average response of 134 words while the last written assignment had an average of 107 words
- Response length might vary as well due to difficulty of the assignment. For example, the third assignment actually had a high average of 132 words per response. Along with the GDP related first assignment, the third assignment was likely the easiest for students to understand
- Third assignment also was where student's discussed ethics the most since the word "ethical" appeared in the writing prompt. Nearly all responses contained an explicit discussion of ethics
- The fifth assignment also had a relatively high amount of discussion of ethics with about 16% of responses using some variation of "ethics" or "ethical" in their response. This was despite neither the writing prompt nor the article itself explicitly using the word ethics or a variation of it
- Remaining three articles had very little or no mention of ethics in student responses

Table 1 : Student opinions on ethical issues and macroeconomics

Mean response 5-point Likert scale with P-value from pre/post difference test				
Question	Do macroeconomists care?		Should macroeconomists care?	
Major	Economics major	Non-economics major	Economics major	Non-economics major
Pre-Survey	3.41	3.19	3.99	4.16
Post-Survey	3.63	3.47	4.20	4.25
P-value	0.04	0.00	0.05	0.27

## Survey Results

- In the survey, a rating of "3" would indicate a "neutral" view, a rating above three would indicate a more positive opinion and below three a more negative opinion. Results are in **Table 1** above.
- Overall students enter the course agreeing that macroeconomists should care about ethical issues but only slightly agree or are more neutral on the idea that macroeconomists actually do care
  - Students agree more that macroeconomics do care by the end of the course and are even more in agreement tat they should care about ethics
  - Economics majors enter the course more likely to think macroeconomists do care about ethics than non-economics majors
  - Economics majors enter the course a little less likely to believe that macroeconomics should care about ethics than non-economics majors
  - The gaps between economics majors and non-economics majors opinions close substantially by the end of the course on whether macroeconomics should consider ethics. They close but more marginally for whether macroeconomists actually care about ethics

## Conclusions and Future Research

Our study highlights a set of low stakes writing assignments that are relatively easy to for an instructor to implement in a course to raise awareness of ethical issues related to macroeconomics. This represents an incremental change to a macroeconomics course rather than a radical redesign. A concern might be the incremental approach causes students to think the core material (e.g. the textbook) does not address ethics. However, we argue that it should instead motivate instructors to better highlight ethical considerations that are often present but hidden in standard macroeconomic topics. Future work would include more robust theming and analysis of student responses to the writing assignments. Also, giving the pre- and post-survey in similar courses that do not have the writing assignments to assess the extent the results in **Table 1** can be attributed to the writing assignment themselves would be useful. Conditioning on factors such as course grades (e.g. exam scores) and demographics beyond major (e.g. gender, ethnicity) are also clear future steps.

## References

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