EMOTION AND EMPATHY AS PEDAGOGICAL TOOLS: INSTRUCTIVE ACTIVITIES IN TEACHING INTERNATIONAL AND DEVELOPMENT ECONOMICS*

Gordon Menzies
School of Finance and Economics
University of Technology, Sydney

ABSTRACT

Empathy and emotion are normally viewed with scepticism in economics, partly due to the positive/normative distinction. However, harnessed appropriately, empathy and emotion can be powerful pedagogical aids. This paper describes two teaching activities where students learn about poverty, equity, welfare and rights-to-pollute in affective ways. This approach enables them to develop a deeper understanding and to think more critically about subject content.

Keywords: undergraduate teaching, social values, distribution, poverty, emissions trading, worldviews, critical thinking.

JEL classifications: A13, A22

1. INTRODUCTION

Empathy and emotion are normally viewed with scepticism in economics, partly due to the positive/normative distinction.\(^1\) Since, on that view, it is possible to discuss the state of economic affairs without referring to a worldview or value system, why clutter analysis with

\* Correspondence: Gordon Menzies, School of Finance and Economics, University of Technology, Sydney, P.O. Box 123, Broadway, NSW, 2007, Australia, Email: gordon.menzies@uts.edu.au. Thanks to the editor for making a number of helpful comments on this paper.

\(^1\) This distinction has a long history, going back at least to Hume’s (1739/1740) *Treatise on Human Nature*, Book III, Part I, Section I.
elements that can so easily lead to rash judgments? Even if one accepts the fact/value distinction, and pursues a research program of positive economics, it does not follow that an appeal to values can be useless for pedagogy. As noted by Ramsden (2003, p.93): ‘Even more important [than clear explanation is] ... the related ability to make the material of a subject genuinely interesting. When our interest is aroused in something, whether it is an academic subject or a hobby, we enjoy working hard at it’. In this paper I describe some of my teaching practices which evoked genuine interest by ‘addressing the heart’ to some degree. I argue that, by being affective, these approaches to teaching are actually highly effective.

When students articulate their values, it also provides a natural context to discuss distribution, alongside concerns about efficiency. Students are often passionate about distribution, feeling the sting of injustice towards themselves or others, but some students believe that economics subjects do not allow a space for them to voice their convictions:

‘[International Economics] was the first subject I have ever had at UTS that seriously aimed to educate us about poverty, inequality and showed a more ‘human’ side to economics/business.’

Undergraduate student

The discussion of values was also important in another way. It led naturally into considering the philosophical underpinnings of neoclassical economics, and some of the criticisms of it as the following quotation from a student who went on to complete a Master of Development at Oxford University indicates:

‘[The lecturer] not only managed to teach the flat [i.e. neoclassical] theory but also to give it shape and texture by connecting it to the real world. Moreover, he opened the neoclassical assumptions to the criticism that is rising in academic debates but is yet to reach most textbooks. As a result, students were engaged and they acquired knowledge that will be valuable to them in their professional life as well as to critically form their personal opinion about policy issues’.

Undergraduate student

---

2 Some do not accept the positive/normative, or its attendant Is/Ought, distinction. Coming from a Christian position, Gunton (1993) argues that relational reality, with its Ought, is more foundational than physical reality, with its Is.
The remainder of the paper is structured as follows. In section 2, I outline the subject/student context for the affective practices. In section 3, I describe the practices themselves. Section 4 offers an evaluation of the practices in terms of student feedback and related teaching and learning outcomes, and section 5 concludes. The appendix documents some administrative details and suggested teaching resources.

2. SUBJECT AND STUDENT CONTEXT
International Economics is a third-year subject in the Economics Major of the Bachelor of Business at the University of Technology, Sydney (UTS). It typically attracts enrolments of between 60 and 100 students. The subject explains why countries trade, and, how international economic events affect inflation, GDP, exchange rates, immigration and global pollution. The subject uses Krugman and Obstfeld (2008) as the primary reference text, but replaces the Heckscher-Ohlin model with the Specific Factors Model.3

The pre-requisite for the subject is second year macroeconomics. Students are generally of mixed mathematical ability, so I have to deliver material in a range of ways (mathematically, intuitively and graphically). Students generally enter the subject with an uncritical acceptance of free market liberalism (i.e. neoclassical economics) and the ‘consequentialist’ worldview that informs it.

3. TEACHING INNOVATIONS
The purpose of the teaching innovations is to help students clearly see all the implications of neoclassical economic analysis, including the awkward ones. Two features of the aforementioned quotes outline the strategy to achieve this. First, the students perceive a more ‘human’ side to economics through the innovations. Second, they improve their understanding and critical thinking skills.

3.1 What does a more ‘human’ economics look like?
Rightly or wrongly, the sub-prime mortgage crisis has emboldened many critics of mainstream economics, including the Prime Minister,  

3 Earlier versions of Krugman and Obstfeld had both models, but the Specific Factors Model was later dropped. I can prove the Ryczinski, Heckscher-Ohlin and Stolper-Samuelson theorems graphically with the Specific Factors Model, which is helpful for mathematically weak students.
Kevin Rudd: ‘What we have seen is the failure of extreme capitalism … which now turns to government to prevent systemic failure, the institutions of government that extreme capitalism spent decades deriding’. The core idea of mainstream economics is that individual and social life is about the maximization of material well-being through markets. Some scholars find this model too abstract since real societies do declare some matters off limits for markets. A well-functioning judiciary, to give one example, does not sell ‘not guilty’ verdicts to the highest bidder. But how might some of the human aspects of mainstream economics be taught?

3.2 Exploring the Human Side 1: Mild Student Deprivation Leading to Empathy

Many human goals, in both education and life, involve empathy and emotion. If harnessed effectively by a lecturer, they can be powerful aids to learning and understanding. International Economics has an assignment with two options. For both options, students have to live as cheaply as they can for one week, and record their experiences in a journal which forms part of the assignment. Then, they chose either to do the World Vision 40 hour famine, or to design a best-response plan if someone asks them for money on the street. In both cases, they have to connect everyday experience to theory. The ‘famine’ students write an essay on world poverty, and the ‘street people’ students write an essay on one aspect of international aid, namely debt forgiveness.

I chose these tasks because I wanted the students to explore empathy with poor people. The advantage for me of ‘outsourcing’ the form of deprivation – i.e. doing a recognized activity rather than running a famine myself – is that World Vision has famine guidelines based on many years of experience. For those unable to go without food, the second activity about street people still requires them to think about something ‘close to home’. While I can’t ask them to

---

5 I made it clear that they did not have to raise money for the charity.
6 See [http://www.worldvision.com.au/40hourfamine/myfamine_guidelines.asp](http://www.worldvision.com.au/40hourfamine/myfamine_guidelines.asp). I also emphasized that since the objective is to experience deprivation, quitting the famine if it gets too hard is fine. These safeguards seemed sufficient to me to remove the need for ethics committee clearance, though another lecturer organizing a similar assignment might wish to cover themselves by gaining approval.
spend a night on the street or begging for money, I can invite a homeless youth welfare officer to talk with the students.

Both assignments involve the week of self-imposed financial difficulty to help them imagine their lives divested of the privileges we take for granted in 21st Century Australia. In doing so, every student builds an experiential bridge towards seeing the economic milieu of marginalized people in context, rather than in abstract. Further details of the assignment are contained in the appendix.

When students can identify with poor people through a guided experience they are motivated, in a qualitatively different manner, to learn about poverty and to suggest policies for its alleviation. In fact, the exercise reinforces how pedagogically odd it is that distribution is so little discussed, relative to efficiency, in most economics courses.

3.3 Exploring the Human Side 2: Follow your views wherever they go

Mainstream economics is a consequentialist framework focussed on individual utilities. If the consequences of a particular action are good in that they produce a net increase in utility, then by definition it is a good action. I respect students’ rights to believe in this form of consequentialism, but I want them to follow its implication right to the end.

I have a tutorial on global warming which accomplishes this. Mainstream economic analysis tolerates pollution because it is not seen as a moral issue; the costs and benefits are weighed and the ‘optimal’ amount of pollution can be derived. Governments can issue ‘rights to pollute’ in a ‘cap and trade’ system (one of the options current governments are considering), and these rights are traded. The system is designed so that those companies who gain the greatest financial benefit from polluting are able to buy them, while guaranteeing the total amount of pollution (the ‘cap’) is optimal. This is advantageous to society, given the standard assumption that the financial benefit of the company adds to social well-being.

In this tutorial, I go through the compelling logic for tradable rights to pollute, and most students have sympathy with the policy. I then propose issuing tradable rights to commit domestic violence in a ‘cap and trade’ system which, for argument’s sake, is guaranteed to reduce the total incidence of domestic violence and thus improve social

---

7 There are acknowledged difficulties with consequentialism, including the proposition that ‘ends justify means’, but these are rarely mentioned in economics courses.
welfare. The proposal passes the consequentialist test implicit in mainstream economics because it results in a net increase in welfare. It is hardly necessary for me to make my distain for this proposal clear, for the analogy is never lost on students.  

If it is objected that pollution, unlike domestic violence, often accompanies the production of utility-enhancing goods, I can point out that the enjoyment of domestic violence by some is sufficient neoclassical warrant for a socially optimal amount of it to be produced. If someone enjoys hurting others rather than caring from them, it is as valid, in terms of neoclassical theory, as someone enjoying smoking rather than not smoking. In neoclassical analysis, there does not need to be an extra benefit produced by smoking – it is beneficial solely by virtue of people liking it.

But what of its victims? The harm done to them needs to be taken into account, but their suffering is merely a negative externality of the perpetrator’s pursuit of utility maximization. According to neoclassical theory, the harm inflicted by a perpetrator of domestic violence is, in principle, no different to the harm of my having to endure passive smoking due to my friends’ bad habits. Both smoking and domestic violence need no justification other than their abode in someone’s utility function. Analytically, they can be handled as a negative externality – so that the socially optimal level of the bad can be attained. Unfortunately, there is no escape. Neoclassical economics is deadly clear about not judging preferences.

I have a vivid memory of a tutorial where everyone rejected the cap and trade system for domestic violence, except for one student. He kept clarifying with me that the system would really reduce the amount of domestic violence in the thought experiment. I kept assuring him of this, and he reluctantly ended up supporting the application of cap and trade to domestic violence. His clear thinking and his affirmation of neoclassical consequentialism challenged other students to reflect on their own worldviews.

I believe reductio ad absurdum is a powerful teaching device. Furthermore, making students see the implications of their beliefs has an additional educational advantage that it is student-centered

---

8 The danger that someone in the class may have been the victim of domestic violence is addressed by pre-announcing that the issue will be raised in the tutorial.

9 If necessary, any net government income raised by a tax could be used to compensate victims.
pedagogy. They are following *their own views* in one area (i.e. cap and trade systems that reduce the total amount of the undesirable thing must be good) to their logical conclusion in another (entirely comparable) area.\(^\text{10}\)

### 3.4 And then think about worldviews

Most commonly, though, students reject the policy. This then leads to a discussion about how many issues are decided by the deep convictions of people – their worldviews – which pre-dispose them to see things a certain way. To really understand the world, one must think about worldviews.

Once the importance of worldviews in acknowledged, so many otherwise puzzling conflicts between groups can be explained. Environmental economists pursue the ‘optimal’ amount of pollution with rights to pollute, while radical environmentalists reject ‘rights to pollute’ because it legitimizes the ‘evil’ of pollution, just as ‘rights to domestic violence’ legitimize a social evil. That is, radical environmentalists have a moral imperative ‘don’t damage the environment’ which their worldview places in the realm of right and wrong – a realm which everyone possesses but which few acknowledge in debates.

The emphasis on empathy and the centrality of worldviews is important for a number of topics in the subject. For example, the policies of various political groups, such as those Neo-Marxists who oppose globalization, are best understood by considering ‘where they are coming from’ – i.e. their worldview. My lectures on immigration show who gains from free labour movements using mainstream analysis. However, it also pinpoints a possible inconsistency between advocating the free movements of goods (i.e. free trade) without simultaneously advocating the free movement of people. On this point, mainstream economics, at least as it is currently practiced, is an inconsistent worldview.

### 4. EVALUATION

Three types of outcome indicate that the approach to teaching international and development economics outlined above has had a positive impact on students and their learning. The first comes from

\(^{10}\) See the appendix for additional details.
student survey feedback on the teaching and learning experiences in this class. Table 1 indicates that students have consistently rated this class highly against a range of criteria over a five year period. This table indicates that feedback scores for the five major summary questions in the UTS Student Feedback Survey were consistently above 4.0 on a five point scale for the 5 year period from 2005 to 2009. The faculty average for these scores was around 3.9.

Table 1: Student Feedback Results for 5 Years

<table>
<thead>
<tr>
<th>Feature of Teaching</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interesting learning experiences</td>
<td>4.1</td>
<td>4.2</td>
<td>4.1</td>
<td>4.4</td>
<td>4.2</td>
</tr>
<tr>
<td>Lecturer prepared/organized</td>
<td>4.5</td>
<td>4.6</td>
<td>4.4</td>
<td>4.6</td>
<td>4.5</td>
</tr>
<tr>
<td>Lecturer is able to explain</td>
<td>4.2</td>
<td>4.5</td>
<td>4.4</td>
<td>4.4</td>
<td>4.4</td>
</tr>
<tr>
<td>Overall satisfied with lecturer</td>
<td>4.3</td>
<td>4.5</td>
<td>4.3</td>
<td>4.5</td>
<td>4.5</td>
</tr>
<tr>
<td>Overall good subject</td>
<td>4.1</td>
<td>4.2</td>
<td>4.1</td>
<td>4.4</td>
<td>4.1</td>
</tr>
</tbody>
</table>

Average student scores on Likert Scale: 1 = Strongly Disagree; 5 = Strongly Agree.

The second type of outcome that indicates the positive impact of the teaching approach on student learning is that a number of students in the subject claimed that their attitude to poverty had changed as a result of their experiences in the subject. Some students even indicated that it had made them want to become personally involved in solutions to the problem of poverty. The following responses to open ended questions on student surveys from the class are examples of this outcome:

‘I feel like the [i.e. my] attitude towards seriousness of poverty in the world has been changing through doing this assignment….It certainly was a good experience!’

‘I used to see the world as an unequal world - I was a pro-inequality person. However, after this experience, I have started seeing things in a different light. I have realized it is not that they are unmotivated or lazy. They simply have no energy to do so in the state of hunger, and all they could see is a grey patch painting across this sundial of life.’

‘I knew in the back of my head that the situation was optional and temporary. For the developing world, there is no such ‘option’. I began to consider how it would feel if that reassurance was absent, and the situation was indefinite. I felt empty. At that point I realized that many people in the developing world were deprived of much more than food, cars and education; they were deprived of hope.’
‘Before the project I was aware of the problem of poverty in developing countries, but through the project I developed a better understanding for these people…. I think I can hear them now and want to get active soon.’

The third type of outcome has been improved student learning of mainstream theory. While I am keen to reveal the limits of mainstream theory in this class, I also want my students to appreciate its insights. It is therefore gratifying to see their understanding of pivotal economic concepts such as opportunity cost and the impact of poverty on ‘capabilities’\(^\text{11}\) being developed by these assignments. The following responses to open-ended survey questions show the links made by students themselves between these exercises and core concepts in the subject area:

‘..having a cap on total expenditure created an environment based on opportunity cost. Often, in choosing one alternative, another had to be forgone – the law of opportunity cost. ... The manner in which we approached the experiment and the reactions of those involved [in the group assignment] indicate that certain economic principles may be incorporated in the issue of global poverty and starvation. The economic principle of unlimited wants and scarcity of resources was brought up in the experiment as was the law of opportunity cost.’

‘I was, however, able to gain insight into the concept of poverty going beyond merely material issues, with the combination of the hunger strike and limited budget impacting severely on my capabilities including productivity to learn and leading to in many cases, social exclusion due to my inability to partake in usual activities with friends.’

5. CONCLUSION
I have taught International Economics for the last six years and have always included the week of deprivation as a prerequisite to students writing their essay. Feedback has been unequivocally positive, and I have never had a student object to the task. Students have also indicated to me that the experience of deprivation was transformational, and would stay in their memories.

‘I would like to take this chance to thank you for coming up with such an interesting topic for me to work on … I will carry this experience with me, wherever I go.’

\(^{11}\) The notion of capabilities is due to Nobel Laureate Amartya Sen.
Using teaching activities that bring emotion and human values into contact with theoretical analysis is a potent method of deepening student engagement with, and understanding of, course material. It also improves critical thinking skills. Although the activities were developed in an International Economics course, they are clearly transferable to courses dealing with Development or Distributional issues.

REFERENCES

APPENDIX: MORE DETAILS ON TEACHING ACTIVITIES
The materials in the appendix are virtually identical to the UTS subject guide, with only minor editorial changes.

*A1: Deprivation Exercise*
Students were given a choice of two topics in order to complete this aspect of the assessment structure. Each is outlined in turn.

**Topic 1 – Global Poverty**
One of the key issues in the world today is the presence of severe poverty alongside affluence. This topic is designed to give you some insight into poverty, and to reflect on related issues. The topic has five components:
(a) Live as cheaply as you can for one week. Keep a dated record of all your expenditures and add them up over the week. You must also impute a cost for items which you already own as follows: for clothing, count each item of clothing you put on during the week as
worth $1 (e.g. $2 for changing a pair of socks); for being in a car, count the cost of petrol (using $1 per litre of petrol); for tea, coffee, alcohol and confectionery, count $1 per serve. Accommodation is specifically excluded – I do not want students sleeping on the street or exposing themselves to any risks!

(b) Undertake the World Vision 40 hour famine (officially, it runs in August, but you can do it unofficially any time). If you feel so inclined, you may raise money for this NGO, but there is no requirement to do so. Any student who has medical concerns about a 40 hour fast (i.e. fluid, but no food) should do Topic 2. Any students who undertake the fast, but then suffer any serious symptoms should immediately eat. You should not take pain killers or undertake any medical interventions to complete the fast. I will not deduct any marks for students who start the fast, and then find they cannot complete it.

(c) Write an essay on the impact of poverty on people in the developing world. *Economic Development* by Michael Todaro is a useful starting point. Outline the pros and cons of current policy initiatives to reduce world poverty (excluding debt forgiveness, which is the topic of Topic 2), based on any reading or internet resources you can find. The World Bank, IMF, and *The Economist* magazine are all useful resources.

One of the key determinants of your mark will be your coverage of literature. On that note, it is not acceptable to use websites without acknowledged authors, such as Wikipedia, as official references. Only scholarly references should be consulted.

(d) The goal of this part of the assignment is to reflect on the experience of poverty and hunger. Toward the end of your week of deprivation, or soon afterward, answer the following reflective questions:

1. What is the total $ amount you spent during the week?
2. On a scale of 1 to 5, with 1 being ‘not at all surprised’ and 5 being ‘extremely surprised’, record how surprised you were with the difficulty of the experience.
3. Which item did you find the hardest to give up? Why?
4. Which item did you find the easiest to give up? Why?
5. Describe your emotional state at the beginning, middle and end of your time of deprivation.
6. Was your ambition or ability to undertake difficult tasks affected during this experience?
7. Has your attitude towards people in underdeveloped countries changed? If so, why? If not, why not?
8. Reflecting on your experience, do you think a definition of poverty that focuses on ‘necessities’ (things that are absolutely essential such as food, clothing and shelter) is valuable? Why?
9. What other things would you like to include in a measure of your poverty over the week of deprivation and the 40 hour famine?
10. How did you feel about other people over the week of deprivation and the 40 hour famine? Did you resent them?
11. Do you think distribution (the relative wealth of people in society) should matter in a definition of poverty? Why or why not?
12. Compare and contrast your reactions to the deprivation of food as against the deprivation of other items. Include in your answer how your ability to do productive work was affected by each.
13. Any other comments?

(e) Complete the following Worldview Survey:

1. What, if any, objections might you have to using markets to organize all production and consumption in society?
2. Are you suspicious of multinational corporations? Why or why not?
3. Who is responsible for poverty?
4. Do you think that prostitution (with adult, consenting prostitutes) in the developing world ought to be discouraged, tolerated or honoured as a valid profession provided that the women involved can be protected?
5. Do you adhere to any religion? In your view, should religion influence one’s thinking and action on economic policy?
6. If you had to pick three distinctive values to describe Western culture as it is now, what would you choose?

Topic 2 – Debt Forgiveness

One of the major forms of international aid at present is debt forgiveness for very poor countries (the so called Highly Indebted Poor Countries or HIPCs). Since forgiveness is a form of aid, most of the issues associated with aid are relevant in assessing debt forgiveness. This topic has five components.

(a) Live as cheaply as you can for one week . . . [same as Topic 1].
(b) Consider the problem of responding to people who live on the street when they ask you for money. Decide what you think the best response is, and then answer the questions below in point (d).
(c) Write an essay assessing the success or otherwise of the HIPC initiative. [Similar guidelines to Topic 1.]
(d) The goal of this part of the assignment is to reflect on the experience of poverty and hunger. Toward the end of your week of deprivation, or soon afterward, answer the following reflective questions. Questions 1-7 were identical to those for Topic 1 and the following were appended:

8. Do you give money to people on the street who ask for it? Why or why not?
9. Do you think that a street person ought to promise what they will spend the money on? Why or why not?
10. What are some difficult issues that street people face?
11. Describe the pros and cons of a ‘policy’ of offering to buy them what they said they needed as an alternative to giving money.
12. All things considered, what is the best ‘policy response’ when someone asks you for money on the street?
13. Any other comments?

(e) Complete the following Worldview Survey [same as Topic 1].

A2: Extract from Tutorial “Rights to Pollute and Rights to Domestic Violence”

During the tutorial, I show a brief excerpt from a contemporary movie ‘Amazing Grace’ about the campaign to abolish the slave trade in the 17th and 18th Centuries. The main character, William Wilberforce, proposes a bill in the English Parliament to abolish the slave trade. In response, the opposition mounts a powerful consequentialist argument. The script is as follows:

(Wilberforce stands)

Wilberforce: It is with a heavy heart that I bring to the attention of this house a trade that degrades men to the level of brutes, and insults the highest quality of our common nature. (pauses). I am speaking of . . . the slave trade. (yelling, booing, shouting, waving etc.). I know that many of my honourable friends have interests in the Indies. Others have investments in plantations in . . . And I believe them to be men of humanity. I believe you all to be men of humanity. And the wretchedness of any one . . . (Wilberforce is drowned out by the noise, shouting etc. Opposition Member stands up).

Speaker: Order! Order!!!!
Lord Tartelin: I can hardly believe my ears!

Gallery: We can hardly believe your mouth! (Laughter).

Lord Tartelin: It seems my young friend opposite has a long term strategy to destroy the very nation that spawned him. (Wilberforce sits). When I was in Virginia, losing my fingers in battle with the Americans, he was busy appeasing them! (Cheers and Yelling). He would have us hand over the riches of the Indies to the bloody French! (Noise, Shouting). If we didn’t have slaves, then we wouldn’t have any plantations. And with no plantations, how would we fill the coffers of the King? And does my honorable friend really believe that if we left off the trade the French wouldn’t immediately step into our place and reap the rewards?

In the discussion afterwards, we talk about child labour in the third world. If one is only concerned about consequences, it is easy to make a case for allowing, or encouraging, it. Similarly, if the social setting is of a certain kind, child prostitution could be justified in a similar manner.