

From ABBA to Zeppelin, Led: A Web Resource for Teaching Economics through Music^{*}

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Abstract

The From ABBA to Zeppelin weblog offers a variety of songs/lyrics that instructors of economics might find useful in teaching economics. Song selections range from country to rock to rap. Each post includes a selection from the song (and a link to the full lyrics) and a brief assignment for students. JEL codes are provided so that instructors may assign certain songs based on the course content. This weblog was created to help facilitate the use of music in the economics classroom. One approach to using song lyrics in the classroom is provided in the paper, “Using Music to Teach Microeconomics,” which follows this page.

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From ABBA to Zeppelin, Led: Using Music to Teach Microeconomics[‡]

Abstract

A quick look around any university campus will reveal students walking to and from class listening to music on headphones. This paper describes a writing assignment designed to harness student interest in music to improve economic understanding and reasoning. In the assignment, students are given the lyrics to a song and asked to respond to a series of questions focusing on the economics contained within the song. Five song examples are given together with several student responses.

1. Introduction

Every student taking an economics class will be a practitioner of political economy. This presents a unique challenge for the economic educator as the retention and application of the material covered in an introductory economics class is important in a manner that say, an introductory class in astronomy is not. Failure to understand and retain the basic nature of light or the mass of the sun does not have the potential to impact others in the same way as a failure to understand and retain the principle of comparative advantage. While research has found that taking economics classes in college improves economic understanding, its impact tends to be limited (Walstad and Allgood 1999; Walstad and Rebeck 2002). Hansen, Salemi and Siegfried (2002) argue for a reorientation of the principles class with one of their primary suggestions being to create more opportunities to practice economics.

If the primary goal of economic education is get students to “think like an economist” then practicing economics by analyzing real world situations and problems is only proper. As Salemi (2002) notes, thinking like an economist is only relevant if it means applying basic

[‡] Forthcoming, *Perspectives on Economic Education Research*.

economic concepts to real world phenomena. Learning economics takes practice, something in short supply in most classrooms. Frank (2002) argues that problem sets are not enough and that teachers of economics should also get students actively involved through a writing assignment. He advocates an “economic naturalist” approach, where students have to write short essays about issues in everyday life using some basic economic reasoning. He argues that this forces students to see the mundane details of life from a new perspective and provides several examples of insightful commentary by his students such as “Why do drive-up ATM machines have Braille on the buttons?” In many ways, his writing assignment is similar to the “armchair economics” of Steven Landsburg (1993).

Another different strain of literature in economic education proposes that economists use popular media and culture in the classroom to engage students. Leet and Houser (2003) and Mateer (2005) provide examples of how to use movies in the classroom. Watts (2003) demonstrates how literature can be used as an alternative to “chalk and talk.” Hall (2005) details how the television show *The Simpsons* provides numerous humorous examples that can be used to illustrate basic economic concepts while Considine (2006) illustrates how the show can be used to teach public choice. Miller and Felton (2002) show how Greek mythology can be used to enliven game theory. Most directly, Kane (1999) shows how popular music can be used to start a discussion of principal-agent problems while Tinari and Khandke (2000) and Harter (2003) explain how song lyrics can be used to teach introductory level economics.

In this paper, we describe how we integrated these two approaches to economic education together in an active writing assignment focused on viewing popular music from an economist’s perspective. A quick look around any university campus will reveal students walking to and from class listening to music on headphones. The described writing assignment harnesses student

interest in music to facilitate the learning of economics. In the assignment, students are given the lyrics to a song and asked to respond to a series of questions.¹

This exercise is appropriate for microeconomics courses at the introductory or intermediate level. Most principles texts cover the basic economic principles students should see present in these songs while intermediate students should be able to give a more in-depth explanation of the economics of the song. The five songs presented here were given to an intermediate microeconomics class at Capital University as an extra credit assignment. Of the thirteen students enrolled in the class, nine students elected to participate in the assignment.² Each of the songs was worth one extra point added toward their next exam. Based on the grading scale for that exam, if a student earned the full five points, it would elevate his grade by slightly more than a full letter grade. The exam itself was worth 18 percent of the final grade, so the amount of extra credit was meaningful to the students.³

Students were provided with the full lyrics to the five songs and several questions to respond to.⁴ We selected a group of songs from a range of music genres in order to appeal to our students' diverse music interests.⁵ The questions are designed with the idea of focusing attention towards the economic issue at play in the song without being too overt. Consideration was given to providing the students with the lyrics without any clues about the economic concept being conveyed; however, in our experience, limited guidance seems to produce better results.

The remainder of the paper proceeds as follows. Each of the next five sections presents a specific example of a song assigned to students. The song is discussed and the instructions given to the student are presented. In addition, some examples from students are presented to illustrate the effectiveness of the assignment. The final section concludes with some basic thoughts on writing and economic education.

2. “Moneytalks” by AC/DC

The song “Moneytalks” is one of the largest chart hits for the British hard rock band AC/DC and is thus fairly well known. Regardless, the students are given complete lyrics sheets as part of the assignment so their knowing the song is not necessary to complete the assignment (although it may affect their enjoyment). The song describes a gentleman providing a list of financial inducements to a young lady as can be seen from the following excerpt:

*Hey little girl, you want it all
The furs, the diamonds, the painting on the wall
Come on, come on, love me for the money
Come on, come on, listen to the money talk*

The assignment as presented to the students:

In the song “Moneytalks” by AC/DC, lead singer Brian Johnson is providing a list of financial inducements to a young lady urging her to “listen to the money.” Do you think people think about money when choosing their mates? Explain. Can you speculate as to why prostitution is illegal in most places?

The student responses were all very interesting although the final question could probably be rewritten to focus more on economics, such as possible externalities from prostitution. What follows are some of the better student comments.

Student A:

Prostitution is illegal because the costs outweigh the benefits. The costs of prostitution include STD’s, violence, and a negative perception of women.

Student B:

Many reasons are typically given for the criminalization of prostitution, such as that it is considered to be immoral. Another reason is that prostitution tends to spread sexually transmitted diseases, and essentially promoting that spread through legalized prostitution would not be seen as a good thing in most places. However, at least according to economics, legalization (and then taxation) would be a better solution to reducing

prostitution, but most public bodies can not bring themselves to legalize it, due to the moral issues.

Student D:

In a more general sense money is an indirect quality that all people are attracted to in their mates. It is indirect, because individuals are commonly attracted to mates who are in the same socioeconomic group as they are.

Student F:

The bankroll of a would-be suitor is weighed into the equation along side of other things including attractiveness and personality. Those lacking good looks, like Donald Trump, can make up for it in the money, as Donald does, or personality category. Likewise, those lacking personality, like Jessica Simpson, can make up for it with a little extra money and attractiveness.

...

Prostitution is illegal, presumably, because of its *immoral* nature. While I am not convinced it should be illegal, I could sympathize with the argument stating prostitution would reduce the attractiveness of marriage.

Student H:

While I'd like to think that she wouldn't be with him solely for his money I think everyone has their price.

3. "Rock Island Line" by Johnny Cash

Although Johnny Cash's popularity has surged in recent years with his covering of the Nine Inch Nails song "Hurt" and his collaboration with producer Rick Rubin, most current undergraduates are unlikely to have heard this song even if they know his music. The song, however, describes a great example of price discrimination:

*Well the Rock Island Line she runs down into New Orleans
There's a big tollgate down there and you know
If you got certain things on board when you go through the tollgate
Well you don't have to pay the man no toll*

The song goes on to describe how the train driver said he had livestock on board at the tollgate instead of pig iron, since livestock carriers did not have to pay a toll while pig iron carriers did.

The assignment:

In the song "Rock Island Line," Johnny Cash discusses the transportation of materials through New Orleans. Why do you think they charged different prices for different types of transported goods? What do we call this practice in economics and why would firms engage in this? Why did it break down in this case?

The student comments show that they had taken home the idea of price discrimination fairly well. No student failed to mention price discrimination, although one student did remark that he felt he did not understand the topic well enough to apply it. Some student comments:

Student B:

Two possible reasons come to mind from this song. The first is that New Orleans area could have had a major need for livestock that it was exempt from the toll. The second is that the Rock Island Line could have been working to maximize profits by discriminating prices.

Student D:

Price discrimination broke down in Rock Island Line because authorities were not monitoring what was being transported on the road. If they would begin monitoring the situation then price discrimination may again be successful.

Student E:

I think they charge different prices for different transported goods because it may depend on how valuable/scarcely a product may be. This is a form of price discrimination called market separation.

Student F:

The fee is different for different users because some, presumably pig iron shippers, value the service more than others, like those transporting livestock. Consequently, pig iron shippers have a higher willingness to pay. Since the tariff is a different price for each good, it may be possible to look at it like a price discrimination problem. The unsuccessful price discrimination results from the inability to separate markets.

Student G:

In this case, the use of tariffs broke down because it was based purely on honesty. There was not a check-and-balance system in place to verify that all cargo was either livestock or manufactured goods.

Student I:

This practice is known as price discrimination, where different prices are charged to different buyers. Theater prices are one example, where there are different prices for different ages, such as student prices, children prices, and senior citizens. The act of price discrimination is indeed profitable to business, which is why firms engage in the practice.

4. “Rain on the Scarecrow” by John Mellencamp

John Mellencamp is a well-known musician and social activist. Together with Willie Nelson and Neil Young, Mellencamp started Farm Aid, an annual concert that raises money to “save the family farm.” From his *Scarecrow* album, “Rain on the Scarecrow” lays out Mellencamp’s perspective on the evolution of farming in the United States.

An excerpt:

*The crops we grew last summer weren't enough to pay the loans
Couldn't buy the seed to plant this spring and the Farmers Bank foreclosed
Called my old friend Schepman up to auction off the land
He said John it's just my job and I hope you understand*

The assignment:

In the song “Rain on the Scarecrow” by John Mellencamp, he decries the loss of the family farm. Over the last 100 years, the percentage of the population engaged in farming has declined from over one-third to less than 3 percent. Why do you think this has occurred, and what impact has this had on the overall well-being of Americans? What is the role of bankruptcy in a market economy? If banks do not foreclose on bankrupt farmers, why might this be bad for farmers in general?

The student comments were surprising in that no student defended the proposition that the United States was losing its agricultural heritage. Some selected student comments:

Student B:

If banks do not foreclose on bankrupt farmers, in order to recoup the losses on the part of the bank and other creditors, creditors would have no choice but to increase interest rates for everyone because of the increased risk, or price, of doing business.

Student C:

If banks do not foreclose on bankrupt farms then all farms will pay. Banks would have to charge higher interest rates on loans, because banks would be losing money if they did not collect money from bankrupt farms that cannot pay back their loans. The bankrupt farm would increase prices for everyone.

Student D:

Economics is about what is efficient, not equitable. This is often why people do not like economics. The reality is that life isn't fair. Whatever is most efficient will survive regardless of whether or not it is equitable. This is one of the reasons why the number of farms and farmers has decreased so dramatically in the last 100 years. With the use of technology farms can be run much more efficiently. This usually results in more acres being farmed with fewer people.

Student E:

The owner of the land is incapable of managing the farm to make a profit, so in general it would be a waste of land that could be used to create new materials, and possibly lower prices on certain products.

Student F:

It has occurred because farmers operate much more efficiently now than they did 100 years ago. Instead of small farms, now bigger farms are used where advanced machinery can yield the same amount of food in a fraction of the time.

Student H:

I think farming has decreased because so many new jobs are being created as new technology is being discovered and advanced. I don't think it has really hurt us that much because we are still a thriving nation. I also think a lot of the reason it went down is because there has been such a rise in international trade. Why should we raise crops when it's cheaper to specialize in something else we can produce more economically and trade with a country that can produce crops cheaper than we can? Everyone benefits that way.

I also think that as horrible as it might seem at first banks should foreclose on farms that are so far into debt they will never get themselves out. Banks would do that to any business not just farming, it just happens. Despite the fact that going bankrupt is devastating on anyone in the long run it could actually be a good thing. It would force these people to learn new skills to stay alive in the job market, which means they might

find jobs that pay even better than farming did. Not to mention it would force their children into seeing other possible jobs opportunities than just “working on the farm” that might actually improve their quality of life in the long run as well.

Student I:

One explanation for the decline of the population engaged in farming in my opinion is the rapid growth of technological advances, such as the widespread use of machines.

5. “My Summer Vacation” by Ice Cube

In the song “My Summer Vacation” by rapper Ice Cube, he describes how the competition in illegal drug sales was so great in Los Angeles that no one could make a profit. Like a good entrepreneur, he decided to take the skills and knowledge he had acquired in Los Angeles and “set up shop” in St. Louis. The result was high profits, at least in the short run. An excerpt:

In L.A. everybody and they mamma sell dope

...

*So what the f*** can I do to make a profit?*

Catch a flight to St. Louis

That's cool, cause nobody knew us

The assignment:

In “My Summer Vacation,” Ice Cube describes selling drugs in St. Louis. Why were financial profits so much higher in St. Louis in the short-run than in Los Angeles? What happened to the profitability (loosely defined) of this activity in the long-run? Does the illegality of the market change anything about the incentives to enter and the required profit rates needed to stay in business?

Nearly all of the student comments on this section were good, suggesting that showing students how economics can explain unconventional situations has considerable merit. Some choice student comments:

Student A:

The profits were higher in St. Louis because there weren't as many dealers and there was less attention on dealers on the police's part. In the long run, more dealers entered the market and there was increased police attention. This caused the market to be less profitable.

Student B:

In terms of economics, in LA, the number of suppliers of drugs was so high that it became a nearly perfect competitive market, with each supplier making a minimal profit.

Student C:

An illegal market is always going to have fewer suppliers than if the product were legal. There is higher risk in an illegal market; therefore fewer people are willing to enter the market. Higher risk requires higher returns for those who are willing to supply or produce an illegal market. The incentive in an illegal market is the higher return, but at a high risk.

Student D:

Ice Cube and his friends were able to make a profit in St. Louis because there were not many, if any other competitors in their market. They were the sole suppliers.

Student F:

In the short run, it was more profitable in St. Louis because (1) the cops were not prepared (2) the current drug dealers were not as rough as those in Los Angeles so their corner shops could be taken quite easily and (3) there was not as much competition in St. Louis so the price was higher. In the long run, the cops got smarter, the locals got guns, and the competition increased so profits fell.

Student G:

There are some activities performed in the United States that are not taxed. These activities are not taxed because the market for the activities is a black market. Because the risk of trading in the black market is much higher than the risk of trading in the capitalist market, the returns on these transactions for the sellers are higher.

Student H:

I am guessing that financial profits were so much better in St. Louis because crack is probably scarcer there than in Los Angeles, therefore making people want to pay more for the same amount of crack. It is probably a lot harder to get illegal drugs into the central plains than it is to get it into a state that borders the ocean if you are importing it from somewhere. It could also have something to do with the number of sellers in the area; if there isn't as much competition then they can afford to jack the prices up some.

...

Because drugs are an illegal market it does change the incentives a bit. While there is the possibility of making quite a bit of money out of it, you now face factors that you

wouldn't have to worry about in a legal market. For example you now have to worry about job security—there are no labor unions protecting crack dealers, not to mention the corruption and violence surrounding illegal activities.

Student I:

In Ice Cube's song "My Summer Vacation," he talks about all of the drug dealers moving from Los Angeles to St. Louis in order to sell drugs and gain more monetary profits. There was not as much police patrol in St. Louis as opposed to Los Angeles, as Ice Cube states in the sixth line. There was less of a chance of getting caught selling drugs and less of a chance for anyone to know those who moved from Los Angeles to St. Louis, meaning more of a financial profit for drug dealers.

6. "Piece of Crap" by Neil Young

Products produced for mass consumption are often criticized as being of poor quality. We know, however, that markets create many assurance mechanisms to help consumers monitor product quality. "Piece of Crap" by Canadian rocker Neil Young discusses several of these mechanisms.

An excerpt:

*Got it from a friend
On him you can depend
I found out in the end
It was a piece of crap*

Assignment:

In "Piece of Crap," Neil Young sings about how everything he buys is junk. With reference to the song, under what conditions do you think consumers are more likely to be disappointed in their purchases? What market mechanisms help to alleviate these problems? Does Neil Young think these mechanisms work well (use examples from the song)?

The comments on this song were quite diverse, possibly due to the shortness of the song and the somewhat open-ended nature of the question.

Student A:

Neil Young also mentioned trusting a friend. People often ask friends for opinions on goods; however, this advice is sometimes wrong or the friend has his own interests held above his friend's interests.

Student B:

As consumers realize that certain goods are crap, the demand for the goods will drop, resulting in lower prices. At these low prices, it will be more indicative of the crappiness of the good, and consumers will tend to steer clear, unless it is their only option. Also, firms have return policies, so that consumers can exchange crap products.

Student C:

Neil Young does not believe that these market mechanisms work because after he receives the good he says they are still a piece of crap. I think what Neil Young is trying to say is that a piece of junk is a piece of junk no matter how much he pays for it.

Student D:

The market recognizes that many individuals are going to be disappointed by the product's performance. Or, the market realizes that the products they produce are pieces of crap. This is evident by the numerous warranties, rebates, exchanges, and return policies that stores have.

Student F:

When there are no commercials on TV to increase brand equity, the seller is unknown (over-the-phone or not a friend), and when you cannot go "back to the store" you are more likely to be disappointed. Brand equity, when accompanied by vocal consumers, is usually a great market mechanism. Usually when a "piece of crap" good is purchased you tell everyone you know how bad it is. Then they do not buy it and the producer either stops selling crap or leaves the market. Additionally, if you know the seller, then he has reason to make sure you are happy. He does not want you thinking or saying bad things about him. It will hurt his business. Finally, stores that offer refunds usually offer better products because they do not want to give refunds. Neil Young found himself in all of these situations and it seems he ended up with a piece of crap good.

Student G:

Consumers are more likely to be disappointed with their choices if there is government intervention involved in setting the price of the product. Price floors and price ceilings cause the quantity and/or the quality of the goods to be altered significantly.

Student H:

I think as far as references to the song go most of the time when consumers purchase something before they actually get to inspect the actual product (such as buying things on the phone or off the television) they find out the product isn't as high quality as the marketing makes it out to be. Also when he mentions "got it from a friend" I guess you

could take that to mean maybe he bought an illegal knock off so to speak from someone and found out it wasn't as good of quality as the genuine thing.

Student I:

In order to lessen these problems of disappointment in purchases, some market mechanisms consist of consumers actually trying out the product with no extra fee for a certain period of time; proving that the product is worth buying by actually testing the product in the presence of potential buyers. According to Neil Young's song, he seems quite skeptical of these mechanisms working since it seems that he has tried almost every one.

7. Conclusion

Students are motivated by many things. Some students excel with the graphical analysis presented in textbooks and could forego the classroom experience entirely. Other students require the professor to flesh out the material in the classroom lecture. Still other students need to apply the material presented in class a few times before the idea sinks in. The hypothesis of Frank (2002) and other reformers of economic education is that varied repetition through various types of assignments is necessary for effective learning.

This paper suggests that teachers could use songs as the subject matter for an economic writing assignment. The assignment presented here, in our opinion, works reasonably well at getting students to apply the knowledge presented in a typical microeconomics class. Perhaps this occurred because the questions placed the song in the appropriate context too easily, but evidence from several of the student assignments makes it clear that the questions were insufficient for some to figure out the economics within the song.

On an anecdotal level, many students reported that this assignment was fun and interesting. Additionally, several indicated that vigorous discussions about the economic meaning of the songs took place outside of class. In these terms, the assignment was quite a success independent of the quality of the written replies.

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NOTES

¹ Both authors have played “economics related” songs in classes. In this assignment, however, we did not play the songs for the students. It could certainly be done, and might enhance student interest, but it is not necessary for the assignment.

² The students electing to do the extra credit ultimately earned better overall grades (3.00) than those not doing the extra credit (2.67). No doubt selection bias is important here since better students are probably more likely to do extra credit than weaker students.

³ There were two other, much less significant, extra credit offers made to students during the semester to attend outside lectures. Only a small handful of students elected to do these assignments. It is fair to say that, except for this assignment, extra credit was not a big part of the course.

⁴ The students were given copies of the full song lyrics in class. In this paper, however, we only reproduce a portion of the lyrics. While there is no hard and fast rule about how much of a song may be reprinted, the “fair use” doctrine allows users to freely copy portions of copyrighted materials for purposes of education, commentary, and criticism. This paper falls into this category. A useful description of the copyright rules can be found here: http://fairuse.stanford.edu/Copyright_and_Fair_Use_Overview/chapter9/index.html.

⁵ We have recently expanded the number of songs greatly and put them into a blog format here: <http://capital2.capital.edu/faculty/rlawson/musicblog/>. It is now possible to ask students to pick from a selected list of songs.