



10 Controversies in Economics Video Series

Introduction: The following videos and questions promise to stimulate discussion about controversial topics related to the concepts highlighted in various modules. Videos can be shown in face-to-face classrooms or links to videos can be provided for viewing outside of classrooms. Questions related to video topics are provided below. Encourage students to use concepts highlighted in the modules to answer questions regardless of perspective.

1. **Module 2, 4, 6 or 8. Should the Sale of Kidneys Be Legalized?** Watch the video ReasonTV's Drew Carey Project II Kidneys For Sale (7:31 min). The hospitals, doctors, insurance companies and others profit from kidney transplants. But donors are prohibited from doing so. (1) Should it be legal for a person to "profit" from the sale of one of their kidneys? Why or why not? (2) Between three and four thousand people die every year because a transplant donor is unavailable, what would happen to the supply of kidney transplant donors if the sale of kidneys was legalized?
2. **Module 3 or 4. Will It Help the Economy if Things Are Destroyed?** Watch the video clip Stossel-in-the-Classroom 2012 "Cash For Clunkers" (5.19 min). Do programs like Cash-For-Clunkers stimulate the economy and lead to higher income levels? Why or why not?
3. **Module 5. Are We Running Out of Oil?** Watch the video clip Stossel 2007 "Oil" (3.27 min). Is the world running out of oil? What would happen to oil prices if the world was about to run out of oil? How would this affect the incentive to (a) conserve on the consumption of oil, (b) find and extract more oil and (c) develop substitutes for oil?
4. **Module 2, 4, 6, or 9. Are Prohibitions Against Price Gouging Good or Bad?** Watch the video clip Stossel 2007 "Price Gouging" (4.29 min). What happens to the prices of items like generators, fuel, plywood and ice during natural disasters? Explain. (Note: supply and demand analysis is helpful here.) Should government impose price controls? If the controls keep the prices from rising, how will this affect the flow of these items into the disaster area?
5. **Module 4 or 7. Do sweatshops exploit their employees?** Watch the video Stossel Macro 07-Boycotts of sweatshops helpful? (5:33 min). How do the employment opportunities at the sweatshop compare with the alternatives available to the employees? If the sweatshop was closed, would the employees be helped or hurt? Explain.
6. **Module 3 or 6. Is the earnings difference between men and women the result of employment discrimination?** Watch the video AEI- Gender Wage Gap (2:37 min). Do the employment choices differ between men and women? If so, why? How do the following productivity-related factors differ between men and women: (i) continuous employment experience, (ii) education, (iii) physical strength?



7. **Module 8 or 10. Should Government Take Private Property from Some and Give It to Others?** View the video clip Stossel ABC Macro Clip 11 "Property Rights, Eminent Domain, and the Role of Government" (4.17 min). Should government planners be permitted to take property from some private owners and transfer it to others in order to improve neighborhoods and expand the tax base? Do you think politics would influence such transfers?
8. **Module 9 or 10. Does the Medicare Program Reflect the Need or Greed of Senior Citizens?** Watch the video clip Stossel 2012 "Needy or Greedy Seniors?" (6.01 min) How does the structure of the Medicare system illustrate the (i) special-interest effect, (ii) short-sightedness effect, and (iii) tradeoffs in the allocation of resources? Does the Medicare program redistribute income from the poor to the rich? Explain.
9. **Module 9 or 10. Should Taxes and Government Spending Be Higher or Lower?** View the video Stossel 2011 Clip 14 "Spending, Taxes, and the Role of Government" (4.06 min). Imagine for a moment that you have an opportunity to change the way taxes are paid. (1) How would you alter the system? Would you make it (a) more progressive (i.e. the rich pay a higher percentage of their income in taxes), (b) more regressive (such as relying on value added or sales taxes), or (c) impose a flat tax (here, everybody pays the same percentage but those with higher incomes will pay more in absolute dollars)? (2) Do you agree with Marc Lamont Hill that higher taxes should be imposed on the rich in order to provide transfer benefits to others? (3) Do you agree or disagree with Arthur Brooks that the fairest system of taxation is one which allows individuals to keep what they earn?
10. **Module 10. Is Poverty an Economic Problem?** Watch the video Acton Institute's "Effective Stewardship" (6.38 min). (1) How do transfer payments to low income households affect the incentive (a) to have a child at an early age, (b) to drop out of high schools, and (c) the abandonment of children by fathers? (2) How do transfer payments impact the incentives of individuals and organizations to engage in effective charitable activities? (3) Evaluate this statement. "Income transfers that reduce the current poverty rate will generally increase the future poverty rate."