

Economics in the Movies Clips Linked to CSE

G. Dirk Mateer has developed a workbook that relates basic economics concepts to short film scenes. The materials are packaged in a manner that instructors will be able to easily integrate into their classes. These clips are an excellent complement with *Common Sense Economics*. The *Economics in the Movies* workbook contains 20 short film clips that are designed for classroom and out-of-class use. The scenes are available over the Internet as streaming videos. Each clip comes with a two-page synopsis of the movie scene, along with questions for thought and analysis. They will enliven your course and help you become a better teacher. Thus, we recommend them highly.

The film clips are available at: <http://economicsinthemovies.swlearning.com>, along with an instructor's manual about how to use them most effectively. The manual includes answers to the questions posed in the workbook and other tips for adopting instructors. The clips cover topics like opportunity cost, gains from trade, competition, monopoly, unemployment, the monetary system, supply and demand, and much more.

The descriptions of the clips and the parallel segments of *Common Sense Economics* are appended below.

Clip 1: “A New Job” from *The Family Man* (2000) Opportunity costs, tradeoffs, and self-interest (Fits perfectly with Part 1, Elements 2, 3 and 10.)

Length: 2:52

Description: Jack Campbell (Nicolas Cage, 1996 Best Actor for *Leaving Las Vegas*) is a successful New York City investor. In *The Family Man* his life takes an unusual turn when he receives a phone message from his college sweetheart, Kate (Tea Leoni), whom he hasn't spoken with in years. Jack does not return the call but when he wakes up the next morning he finds himself in a parallel universe where he is married to Kate, works as a salesman for his father-in-law, and has a family. The movie asks us to imagine “what if” his life had been different and the two of them had married and lived an alternative life in the suburbs. In the scene Jack shows Kate an apartment that they could stay in indefinitely if they relocate to New York City. The apartment is luxurious and a big upgrade from their home in New Jersey. Jack tries to convince Kate that moving back into the city will improve their life by providing more rewarding jobs and better schools for their kids.

Clip 2: “The Price is Going Up” from *Out of Sight* (1998) Opportunity costs, trade creates value (Fits perfectly with Part 1, Elements 1 and 4)

Length: 1:25

Description: Richard Ripley (Albert Brooks) is a convict who makes the mistake of mentioning that he has a large stash hidden at his place when he gets out. So Maurice “Snoopy” Miller (Don Cheadle) and his associate Himey (James Black) shake him down. They extort Richard by charging him inflated prices to procure the items he wants.

Clip 3: “The Stock Market Crash” from *Seabiscuit* (2003) Business cycles, expectations, unemployment, Great Depression (**Fits well with Part 3, Elements 2, 6 and 8.**)

Length: 1:30

Description: Based on a true story, *Seabiscuit* is set against the backdrop of the Great Depression. The nation was looking for something to help escape the grind of daily life. As a result, *Seabiscuit* was the top news story of 1938, surpassing both the Depression and the rise of Hitler. The movie has a distinctly populist message, if an underdog like *Seabiscuit* could win against a larger and better-bred horse like War Admiral, then maybe there was a chance for the average person to escape poverty and live a better life. Historian, David McCullough, narrates the film, which helps the viewer to appreciate the economic forces at work.

Clip 4: “Dry Cleaning” from *The Man Who Wasn’t There* (2001) Productivity, capital, growth and investment (**Fits well with Part 1, Element and Part 4, Element 2.**)

Length: 1:42

Description: Ed Crane (Billy Bob Thornton) is cutting Creighton Tolliver’s (Jon Polito) hair. Creighton Tolliver is in town to secure venture capital for a new enterprise in dry cleaning that he would like to start. Since Creighton Tolliver is a salesman he launches into a long-winded discussion of his idea and the need for capital to make it happen. Pay particular attention to how Creighton describes the dry cleaning idea and how he intends to develop the business over time.

Clip 5: “Trading Dirt” from *Waterworld* (1995) Relative scarcity, medium of exchange, barter (**Fits well with Part 1, Elements 5 and 8.**)

Length: 2:05

Description: In the distant future, the greenhouse effect has melted the polar ice caps and the earth is covered by water. Civilization, as we know it, is lost under the sea. A mutant mariner (Kevin Costner), capable of swimming underwater, sails the oceans in his trimaran trying to survive. The oceans are populated by different groups of people, all of who seek dry land, something that no one can ever recall seeing. The mariner has in his possession a bag of dirt, something we’d take for granted today, but not in *Waterworld*. The dirt is more valuable than pure hydro (fresh water). Once the dirt is weighed and assessed for purity it is exchanged for 124 chits (or credits).

Clip 6: “A Loan From Mom & Dad” from *Reality Bites* (1994) Potential GDP, unemployment (**Fits well with Part 1, Elements 3 and 7.**)

Length: 1:11

Description: Lelaina is valedictorian of her class but she has trouble finding a job in her field. In this scene she is having a conversation with her mother (Swoosie Kurtz) and father-in-law about a loan. Her mother suggests that Lelaina should take an entry-level job because the local economy is struggling.

Clip 7: “Getting the Half-Fare” from *The Major and the Minor* (1942) Price discrimination, inflation (**Fits well with Part 2, Element 5 or Part 4, Elements 6 and 8.**)

Length: 3:05

Description: After living in New York City for a year, Susan Applegate, decides to return to Iowa. She has planned carefully and saved the *exact* train fare to get back home in a sealed envelope in case she would ever need it. However, her planned return does not allow for inflation. Prices have risen and she cannot afford to purchase a ticket. When she overhears that half-price tickets are offered for those younger than twelve she comes up with an innovative scheme to purchase the discounted fare by soliciting the help of a man who is searching for coins left in telephones.

Clip 8: “Saving the Building & Loan” from *It’s a Wonderful Life* (1946) Banking system, money creation (Fits well with Part 2, element 5 and Part 4, Element 3.)

Length: 3:39

Description: George Bailey (James Stewart) returns to find a mob standing outside the Building and Loan and he lets the crush of people into the lobby. He then talks with Uncle Billy (Thomas Mitchell) who tells George that he has handed over most of their cash to the bank and closed for the day to prevent a riot. George pleads with the throng while he tries to explain how the banking system works. The Building & Loan doesn’t keep all the depositors money on hand; it lends the money out into the community as an investment. George’s education lesson does little to quell the tensions and the depositors are about to sell their shares to Mr. Potter until George’s wife, Mary (Donna Reed), offers up \$2000 in honeymoon money to satisfy the depositors. As a result, the Building & Loan makes it through the remainder of the day and the crisis is averted.

Clip 9: “The Mexican Border” from *Traffic* (2000) Trade, the underground economy (Fits well with Part 4, Element 2.)

Length: 1:36

Description: Eduardo Ruiz (Miguel Ferrer) describes his operation to two officers, Montel Gordon (Don Cheadle) and Ray Castro (Luis Guzman). Ruiz explains that drug enforcement in Mexico is an entrepreneurial activity. He bribes customs officials, hires drivers, and throws a lot of product at the problem. Using regression analysis he is able to identify weaknesses in the border inspection process to help identify practices that will help avoid detection.

Clip 10: “The Mechanical Roster” from *Babe* (1995) Specialization, trade, comparative advantage (Fits well with Part 1, Elements 1, 3 and 8 and Part 2, Element 2.)

Length: 2:12

Description: Ferdinand the Duck (Danny Mann, voice) devises a plan to avoid being slaughtered by taking over the rooster’s crowing responsibilities. However, his plan backfires when Farmer Hoggett purchases an alarm clock. Unless Ferdinand can find a way to eliminate the alarm clock, he is cooked. So Ferdinand solicits help from Babe to enter the house and steal the “mechanical rooster.”

Clip 11: “Island Living” from *About A Boy* (2002) Savings, investment, wealth effects (Fits well with Part 1, Element 1 and Part 4, Element 12.)

Length: 0:50

Description: Based on Nick Hornby's popular British novel, *About a Boy* stars Hugh Grant, as Will Lightman, a thirty-something Londoner whose purpose in life is to hook up with women. When he is asked about what he does for a living he responds that he does nothing! His late father wrote a Christmas jingle called "Santa's Super Sleigh" and he lives quite comfortably off of the royalties. As you might expect, Will's flat has every imaginable toy and his shallow existence appears to be going quite well by all appearances. Will is content to take from life, giving back nothing tangible in return. However, when his friends begin to marry off he realizes that he might have to change his game plan in order to continue to meet women. Will decides to pass himself off as a single father, begins attending single parents meetings, invents an imaginary son, and he starts to meet a string of single moms. However, Will's carefree lifestyle is challenged when he meets Marcus (Nicholas Hoult), a quirky 12-year-old boy, who is teased at school. Will teaches Marcus how to be cool and Marcus teaches Will to grow up. In this scene we see Will going through his daily routine. He is so adept at time management that he has invented a term for his existence, "island living." He is his own activities director and he has divided the day into 30-minute increments to better organize his life.

Clip 12: "Just One More Bite" from *Monty Python's The Meaning of Life* (1983)

Choice theory, substitution effects (**Fits well with Part 1, Elements 2 and 3.**)

Length: 1:56

Description: The Mr. Creosote sketch is among the most famous scenes from the film. Mr. Creosote (Terry Jones) is the world's fattest man; he eats all the time and must vomit to ingest more food. This is one of the grossest scenes in film history and it is easy to see why the sketch did not appear on the popular BBC comedy *Monty Python*. If that wasn't bad enough, Mr. Creosote explodes after eating everything on the menu in a fancy French restaurant. He is egged on to his demise by the maitre' d (John Cleese) who tempts him to eat one last bite with a single wafer thin mint.

Clip 13: "The Portal" from *Being John Malkovich* (1999) Competition, monopoly, pricing power (**Fits well with Part 1, Elements 6 and 9 and Part 2, Element 2.**)

Length: 3:56

Description: One day Craig discovers a small opening behind a filing cabinet. He crawls through it and enters a portal into the mind of actor John Malkovich (played by himself). There he stays, experiencing exactly what Malkovich sees for 15 minutes, until he is unceremoniously dumped out of the sky next to the New Jersey Turnpike. When Craig mentions his discovery to Maxine (Catherine Keener), she helps him make it commercial business by selling trips inside Malkovich for \$200 a pop.

Clip 14: "A Prenuptial Agreement" from *Intolerable Cruelty* (2003) Moral hazard problem, risk tolerance, financial intermediation (**Fits well with Part 1, Elements 1 and 2.**)

Length: 2:39

Description: Miles Massey (George Clooney) is a divorce attorney who is widely respected among his peers for creating an unbreakable prenuptial agreement. Miles wins a case against Marilyn Rexroth (Catherine Zeta-Jones) after exposing her plan to marry

for money. Marilyn, it turns out, has a history of wealthy husbands. So it is surprising when Marilyn wants to hire Miles to draft an iron-clad prenuptial agreement for her next marriage. Miles suspects that Marilyn is only marrying millionaire oil man Howard D. Doyle (Billy Bob Thornton) for his money, but he can't figure out why she would want a prenuptial agreement.

Clip 15: “Liberating Reuben” from *Along Came Polly* (2004) Opportunity cost, efficiency, consumer optimum (Fits well with Part 1, Elements 9 and 10.)

Length: 2:25

Description: Reuben is fluffing throw pillows and placing them on his bed like he does everyday when Polly asks why he spends so much time placing and replacing the pillows. Reuben has never really thought about all the time it takes to keep the bed looking nice. Polly decides to liberate Reuben by taking a knife to one of the throw pillows to prove her point. Later we see that Polly has lost her keys, so she uses a key finder that Reuben has given her to locate them inside her refrigerator.

Clip 16: “Forcing a Confession” from *In the Name of the Father* (1993) Game theory, strategy, opportunistic behavior (Fits well with Part 1, Element 1 and Part 3, Element 10.)

Length: 2:54

Description: In the aftermath of September 11, 2001 and the ongoing War on Terror, *In the Name of the Father*, conveys a powerful message: wrongful imprisonment and a lack of checks and balances in the legal system are a threat to personal freedom. In the early 1970s the British government passed the Prevention of Terrorism Act, which allowed the arrest of any individual on the thinnest of suspicions. A young homeless Irishman, Gerry Conlon (Daniel Day-Lewis, 1989 best actor for *My Left Foot*), and three of his companions were charged by the British police with being IRA bombers for destroying a pub in Guildford, England. The Guildford Four, as they were later called, were falsely convicted and sentenced to life. Moreover, evidence that would have acquitted the Guildford Four was suppressed. However, through the efforts of a stubborn attorney, Gareth Peirce (Emma Thompson), the verdict is ultimately overturned and the Four are eventually released in 1989. The film is based on Conlon's autobiography, *Proved Innocent*. Gerry Conlon is the prime suspect in the Guildford bombings. After a brutal and sadistic interrogation by the police, Conlon breaks and agrees to sign a confession. In the scene we see the police interrogate Gerry and his friends, Carole Richardson (Beatie Edney), Paddy Armstrong (Mark Sheppard), and Paul Hill (John Lynch). The police interrogate each of the suspects separately and try to break them both physically and psychologically. This creates a prisoner's dilemma where the suspects do not know what the others are saying about them to the police.

Clip 17: “Strike!!!” from *Bread and Roses* (2000) Wages, labor supply and demand (Fits well with Part 1, Elements 7 and 10 and Part 4, Element 1.)

Length: 2:15

Description: The culture of greed in Southern California is exposed through the lives of Maya (Pilar Padilla) and Rosa (Elpidia Carrillo), two illegal emigrants from Mexico, who end up working as janitors in Los Angeles. Enter Sam Shapiro (Adrien Brody, 2002 Best

Actor for *The Pianist*) a union organizer who tries to mount a “justice for janitors” campaign to organize the workers. Maya is a willing follower, but Rosa is reluctant since she has her ailing husband to consider. In addition, Maya and Rosa are plagued by their boss (George Lopez) who is a foul-mouthed and quick-tempered supervisor with the power to fire workers on a whim. So the threat of reprisals, for union activity, is a very real possibility for the workers. Sam has organized a demonstration in the building lobby as a show of worker solidarity. Non-unionized janitors are being paid \$5.75 an hour, have no benefits, and they are laid off indiscriminately. This is in stark contrast with unionized janitors who are paid over \$8 an hour with medical coverage. By forming a union the janitors hope to achieve better pay and benefits.

Clip 18: “A Broken Promise” from *Parenthood* (1989) Wage Determination (Fits well with Part 1, Element 7 and Part 4, Element 1.)

Length: 2:08

Description: Gil Buckman (played by Steve Martin) is a father who is determined to raise his kids the right way. As the film unfolds we begin to realize that Gil’s desire to raise his kids is a reaction to the neglect that he experienced as a child. So in order to be the best possible dad Gil sacrifices his career ambitions. As a result, his family is tight financially. Steve Martin does a wonderful job of portraying the conflicting emotions of parenthood. He wants to be a good father and a good provider, but both are not possible simultaneously. Ron Howard directs and he does a masterful job of blending together four generations of the family in order to explore parent-child relationships on many different levels.

When Gil learns that his rival, Phil Richards, has passed him over for a position as a partner in the firm Gil decides to vent his frustration to his boss, David Brodsky, and plead his case. David responds that the decision is not etched in stone but that Phil was selected because he works longer, schmoozes better, and brings in more business. Gil counters that he is the backbone of the company and that he might have to look for another job, to which David replies that he doesn’t consider Gil’s threat to leave to be a credible threat. David believes that Gil is trapped because he is not committed enough and that he is not willing to take a financial hit in order to start over somewhere else. This exchange raises a number of important issues about the nature of the labor market and how much workers are compensated for their services.

Clip 19: “An Offer from PG&E” from *Erin Brockovich* (2000) Property rights, market failure, externalities (Fits well with Part 1, Element 10 and Part 2, Element 1.)

Length: 2:03

Description: The film is based on the true story of Brockovich, a single mother with no formal education, few prospects for employment, and down on her luck. Eventually, she gets a job as a file clerk for a small law firm. There, she begins to investigate (on her own) illnesses in a small town caused by the illegal dumping of deadly toxic waste by Pacific Gas & Electric. Spurred on by her efforts at uncovering the truth, the law firm she works for becomes involved in one of the largest class action lawsuits in history, resulting in a settlement of over 300 million dollars! *Erin Brockovich* is one of only a handful of films that have tackled environmental issues in a meaningful fashion. Ed Masry (Albert Finney) and Erin Brockovich meet with a representative of Pacific Gas &

Electric to discuss a settlement offer from the firm. The company offer compensates the claimants for the value of the land they own, but no compensation is offered for medical damages as a result of toxic poisoning. Erin Brockovich believes that many of the health problems in the affected community can be traced to the introduction of the poison into the groundwater. However, PG&E counters that the condition of the residents is a result of lifestyle choices, heredity, and bad luck.

Clip 20: “A Bankruptcy Auction” from *The River* (1984) Auctions, supply and demand, rationing mechanism, exchange (**Fits well with Part 2, Element 4.**)

Length: 3:21

Description: Farming as a way of life was under pressure in the early 1980s when interest rates skyrocketed and the economy was in recession. Tom (Mel Gibson) and Mae (Sissy Spacek) Garvey own a small farm in Tennessee where they must battle storms and repossession to make ends meet. The Garvey’s struggles are magnified by the fact that their property is in a flood plain, and a local developer wants to dam up the river and flood the fields to build a hydroelectric project. Eventually, things get so bad financially that Tom is forced to take a job as a scab at a local foundry. The contrast between the natural beauty of the farm and the gritty inferno at the steel mill give the viewer a deep sense of appreciation for the why the Garvey’s fight so hard to preserve their way of life. Tom and Mae Garvey attend an auction for Dan Gaumer (Jim Antonio). When the auctioneer invites the assembled crowd to gather a number of the farmers begin to chant, "No sale! No sale!" to prevent the sale of the Gaumer farm. However, it is Dan Gaumer who eventually quiets the crowd by saying that the auction is not for the farm, it is for the personal property, machinery, and livestock that his family still owns. The bank foreclosed on the farm and the family needs to sell their property to relocate elsewhere.