



Using the News in Introductory Economics

Helping students see the relevance of Economics

Using recent news items in Economics is a way of making the subject seem relevant for students and increasing their motivation. If used well, it can help to develop skills of application, analysis and synthesis. It can demonstrate the suitability and limitations of economic models and highlight ways in which the models can be amended by relaxing or changing assumptions.

There are several contexts in which news can be integrated into teaching and learning.

Lectures

The simplest way in which news items can be integrated into lectures is to illustrate theories and policies. Movements in particular markets can illustrate simple price theory. Developments in particular industries can illustrate elements of the theory of the firm. Thus mergers or recent reports of the competition authorities can illustrate issues of the effects of monopoly power or oligopolistic collusion. Recent pay awards to particular people or in particular industries can illustrate marginal productivity theory. Environmental disasters, such as floods or droughts can be used to illustrate externalities. Recent changes in particular macroeconomic indicators can illustrate elements of macroeconomic theory and policy.

Lecturers can use the [Sloman Economics News Site](#) to find appropriate news stories to illustrate points of theory. The news articles are organised according to the chapter of the book and thus it is quick to find relevant stories.

A more creative way for lecturers to use news items in lectures is to ask students to do background research on particular topics before they are covered in lectures. Students could be allocated to post background briefings on the discussion board of the module's VLE (see *Teaching and Learning Case Study 14*). Then, in the lecture, the lecturer can make specific reference to the news item to illustrate the point of theory being covered. Students as a result will be able to engage more deeply with the lecture. To help this engagement process, the lecturer could ask one or two multiple-choice or other simple questions that draw on the news item and relate it to the theory or policy being covered.

Seminar activities

News articles or recent reports can be treated as case studies and seminar activities can be built around them. The students can be given specific questions that relate the article to the

part of the economics syllabus that they are covering. The students could prepare these questions in advance, with the seminar considering them in plenary. Alternatively, they could be considered in small groups in the seminar followed by a report back from the groups to the whole class. The small groups could be allocated different questions on the particular case. Again, the [Sloman Economics News Site](#) lends itself readily to this approach.

An alternative is for the students to search for news articles relevant to the seminar topic and bring them to the seminar for discussion in plenary or in small groups. One of the seminar activities could be to consider the relevance of the articles to the seminar topic. Students would develop skills in focused searching, because they would be judged on the suitability of their articles as an illustration or application of the topic of the seminar. They could use the newspaper sites in [Section A](#) of the Hotlinks accessed from the Sloman site. Alternatively they could use press releases and reports from various company or official sites (e.g. those listed in [Section E](#) of the Hotlinks). They could also use various news search sites such as [Google News](#) or articles in [Wikinews](#).

Other uses for news articles in seminars can be found in the following Economics Network case study on [Incorporating Newspaper Articles into an Economics Course](#).

As part of a PBL approach

News articles are an ideal starting point for a problem-based learning exercise (see *Teaching and Learning Case 12*). They are also a source of additional evidence that the students can gather for solving the problem.

Assessed activities

A case study consisting of a series of newspaper articles can form the basis of an assessed essay or project. The objective is for the student to use appropriate theories to analyse the news item and/or to consider the policy implications.

An alternative would be to have a two-part essay, where the first part involved abstract analysis and tested the student's grasp of a particular model or models. The second part would be to use recent news and data ([see](#)) to assess the relevance of the model to real-world situations.

In exams, news articles can be used as the basis of data response questions. This is an approach that is used at [A-level](#), but is less common in universities. Such questions are a highly effective way of testing students' ability to apply theoretical concepts to real-world situations.