Divergent Economics in the Classroom

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Presentation 57th Annual Financial Literacy & Economic Education Conference, Atlanta, Georgia, October 4-6, 2018
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Economics as real life

• Veronica Roth has no apparent training in economics or government
• Personal interests are rooted in practical human behavior
  ▪ Social psychology
    • individual identity
    • Group psychology
  ▪ Government policy
• The Divergent Series is applied economics
But what kind of economics?

• Behavioral economics
  ▪ How do people actually behave in the real world?

• Choice theory
  ▪ Rational choice
  ▪ Constraints—time, training

• Institutional economics
  ▪ How do rules effect choices?

• Public choice economics
  ▪ Applied behavioral & institutional economics
The Divergent world: an overview

• Plague triggers world wide war among groups
  ▪ Self interest results in mob-war
  ▪ Chicago is the last bastion of civilization

• Social and economic system is based on group identities
  ▪ Faction membership to purge “bad” traits

• Assigned to factions based on simulations
  ▪ 16 years old
  ▪ Simulations administered under a serum
Factions

- **Abnegation**: public servants; run the government
  - Origin faction for Tris Prior
- **Amity**: Farmers and producers; peaceful & democratic
- **Erudite**: Intellectuals, innovators; knowledge seekers
- **Candor**: Lawyers, judges; honest & truthful
- **Dauntless**: enforcers; brave & fearless
- **Factionless**: Outcasts
Constitutional economics & the faction system

• The rules of the game are well defined
• Individuals are constrained by the rules
• The plot is driven by individual choices faced by the constraints of the political system
• Strong cultural and social norms force individuals into their roles and to play by the rules
  ▪ In book 1, Tris Prior acts completely within the constrains of the established system/Constitution
Politics without romance

Book 1, *Divergent*

- Individuals are goal maximizers
- They pursue their own self interests
- Individuals are “imperfect”
- How do individuals maximize personal objectives under the current rules?
  - Erudite use technology (a serum) to exert control over the other factions
  - Mass execution of Abnegation

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Regime uncertainty
Book 2, *Insurgent*

- **Erudite’s (Jeanine) coalition**
  - Candor
  - Loyal dauntless
- **Opposition (insurgents)**
  - Traitor dauntless (Tris, Four)
  - Abnegation remnants
  - Factionless (Evelyn)
- **Amity stays out**
Political cycling
(Book 2, *Insurgent*)

- Erudite
- Candor
- Amity
- Dauntless
- Factionless

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• Social engineering
  ▪ Bureau of Genetic Welfare
  ▪ Experiments in several cities
  ▪ Chicago is the last “hope”
• BGW (principal) frustrated by individual initiative of their “agents”
  ▪ Jeanine
  ▪ Evelyn
  ▪ Tris’s mother
• Destruction of the faction system
Assignments for classroom discussion

- Reflection papers on key terms and concepts
  - Identify a scene that demonstrates the application of X
- Longer papers that apply one or two concepts to character arcs and plot
  - Examine how Tris’s actions in Divergent reflect rational choice over the course of the novel
- Scene/chapter deconstruction
  - How does game theory help us understand the relationships and choices made by x and y in this scene?
A classroom exercise in public choice economics

- Assign students to a faction
  - They are not allowed to deviate from their faction’s purpose/mission
  - Have them individually rank the relative power of the other factions
- Working in a group, have the factions
  - Identify what would make an “ideal” society
  - Rank each faction on their likelihood they would agree with their goal
- Round I: Allow the primary factions 5 minutes to negotiate with their most closely aligned faction to join a coalition to rule the society
  - Have students individually rank the relative influence/dominance of the factions
  - Discussion: What coalition appears to be dominant? Are factions unified, or divided on with whom to align? Does one faction seem to dominate the discussion?
- Round II: Allow the Factionless to negotiate with their most closely aligned faction to join a coalition
  - Have students individually rank the relative/influence of the factions
- Round III: Allow 5 minutes for the factions to negotiate new alliances and coalitions
  - Have students individually rank the relative influence/dominance of the factions
Classroom exercise: Discussion

• What were the identified interests of the factions? Where these “rational” in an economic context?
• Did the faction (collective) interest(s) deviate from the individual interests?
• Where the choices by factions “rational” in the economic sense?
• What constraints (rules) limited their decisions?
• What were the opportunity costs of aligning with one faction versus another?
• To what extent were decisions made on the margin? Did they include “sunk costs”? What role did multiple rounds play in determining the outcome?
• How does “self interest” play in the stability of the coalitions or governing regimes?
• How did “trust” factor into the decision to align with one faction or another? What role did incentives play? Contract enforcement?
• How could the “rules of the game” change, and how might they result in different outcomes?
Blending economic principles with relevant culture

- Dystopian trilogy
  - Divergent (2011)
  - Insurgent (2012)
  - Allegiant (2013)
- Books sold 6.7 million copies 2013
- Films generated $750 million worldwide
- *Divergent* was Roth’s senior honors thesis at Northwestern