

School of Arts & Sciences Prospectus

Course ID and 6-digit Number: ECON 0460-001

Course Description and Level: This is an introductory seminar with no prerequisites. Teaching method is Socratic. Major emphasis is on class discussion and student presentations, plus close reading of classic texts in philosophy and economic theory. First half of semester is devoted to classic texts; second half to class debates and discussions of contemporary economic and social issues.

Class Structure for Fall 2023

- *Synchronous or In-Person Sessions Planned*
 - This class will meet on campus twice a week (Mondays & Wednesdays starting at 3.30pm) for 90 minutes sessions each.
 - The format of the course is class discussion. The course is taught Socratically. There are no slides presented in class.
 - No electronics are permitted in the class.
 - Student are highly encouraged to come to office hours at least once in the semester. Office hours will be virtual with the option for in-person if the student prefers.

- *Asynchronous Activities*
 - Reading assignments, discussion board comments, research for debate/position paper and final paper, writing final paper.
 - Many students will be working in small groups to prepare for class debates in the second half of the semester. Each small group is encouraged to arrange the group sessions as they think best, whether virtually or in-person.
 - There will be two classes where students will be asked to watch recorded lectures and an online debate as homework before in-class discussion.
 - The midterm exam will be held virtually.
 - There will be one or two other classes during the semester which will take place via Zoom.

- *Schedule reflecting the workload for a typical week*
 - Saturday or Sunday: Read assigned texts for class (1st half) or research student's chosen topic (2nd half): 1½ -3 hours

- Monday and Wednesday: Preview slides on Canvas; attend class (2 hours).
- Tuesday: Prepare for Wednesday's class (1 hour); Add discussion board comments (½ hour)
- Thursday or Friday: Add discussion board comments (½ hour) Other Independent work (up to 1½ hours).

Assignments & Assessments

- Participation (in class and on discussion boards) (35% of final grade) and a 6-page final paper (25% of the grade). In the final paper, students will move from theory to practice, applying concepts learned in class to a contemporary business or social issue.
- A midterm and a class debate/position paper each 20% of the grade.
- My commitment is to help you succeed in this course, which addresses issues of major importance for society.

Required Readings

- All readings will be either posted to Canvas. There are no texts to purchase.

Economics and Theories of Fairness

Syllabus & Course Plan

ECON 0460
Office Hours Th 1-2.30pm (virtual)
Professor Mike Kane

Class Time: MW 3.30-5pm
Classroom: McNeil 395
Office PCPSE 634

1. Course Description

Free markets excel at producing wealth, but seem to do so at the cost of economic inequality. Is this inequality unjust? Is it a problem economics and public policy should solve?

Liberal democracies have traditionally had the protection of private property as a core mandate. But they also have varying degrees of redistribution in order to fund social welfare systems. How can we reconcile these objectives which seem to conflict?

Is the protection of individual rights more important than the promotion of the greatest good for all? To what extent can personal liberty and the common good be reconciled?

Are current entitlement programs like Medicare unfair to the younger generation? Is our current natural resource usage unfair to future generations?

In this course, we will use the philosophical concept of justice to address these and other related questions. We will draw from economic history, political theory, and the history of philosophy in order to acquire a framework for understanding the concepts of justice, liberty, rights, and equality. We shall then apply this historical and conceptual framework to discussion topics and case studies drawn from present day economics and contemporary social issues. In this way, we shall come to understand economics as more than a social science of laws and theorems. Instead we shall see how economics as an applied science influences the well-being of the whole of society.

2. Learning Objectives

Participants in the class can expect to:

- 1) Gain an understanding of the concepts of equality, justice, and rights, as they appear in and evolve throughout history.
- 2) Gain a greater appreciation for the ways in which economic ideas influence a society's well-being.
- 3) Expand your understanding of classical economists to include their ideas on ethics.
- 4) Confront the tensions between individual rights and the common good and try to resolve them in your own mind.

- 5) Enhance your critical reasoning skills as you assess arguments from multiple sides of an issue.
- 6) Enhance your presentation and debate skills as you participate in class assignments.
- 7) Enjoy the experience of learning how seemingly abstract ideas from the past have massive real-world implications for the present.

As John Maynard Keynes wrote: “The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed, the world is ruled by little else.” In this course, we will examine many of these ideas and also try to assess if they are right or wrong.

3. Course Requirements

Pre-Requisites. None. The Department encourages introductory courses in macro and micro economics, but these are not requirements.

Electronic Devices. None. Student use of laptops, tablets, phones, and other electronics is not permitted in class. With my permission, students may use a laptop if participating in a class debate. If you use any electronics in class, you will be marked absent for the class with a negative impact on your final grade.

Readings and Slides. You must come each class having done the readings assigned. I have tried to keep the selections short, especially since some of the readings are a bit challenging. In addition, for the major thinkers we study, I have prepared a presentation on the reading selection which will be found on Canvas. These will never be presented in class, but are intended for you to read as you prepare for class. They are not a substitute for doing the readings themselves, but are a supplement to them.

Class Format. This course is structured as a discussion group and is taught Socratically. I will be asking you to discuss topics inspired by the readings. There are no slides presented during class and very little formal lecture time. In these respects, the class might be very different from other courses you’ve taken.

Attendance. Attendance is required for all classes except for extraordinary circumstances. This is the same policy your first job out of college will have, so you get an early experience of it in this course. We follow the University guidelines on excused and permitted absences.

Unexcused absences will negatively affect your final grade as follows: first absence will not subtract from the final grade but will cost any rounding up to next grade. With the second absence and each subsequent one, the final grade will be reduced one grade increment. For example, a student with a course grade which is borderline A-/B+ who has three absences would then get the final grade of B-. The first absence means the B+ is not rounded to A-. The second absence reduces the B+ to B, and the third reduces the B to B- .

For the purposes of this policy, absences are broadly defined to include more than not being in class. Inattention in class, electronics use in class, camera off in Zoom, and leaving a virtual class early are all considered absences and will have the above effect on final grades.

Office Hours. Primary office hours are on most Thursdays from 1-2.30 pm via Zoom. Exceptions will be noted in the course calendar within Canvas. I will always make time to speak with you during office hours or at other times to address your concerns and questions.

Academic Integrity and Standards. Every member of the Penn community is responsible to uphold the University's commitment to academic integrity. Please review [the policy](#) when beginning this course. This policy will be enforced in this course.

Part of my devotion to your success in this class is the insistence on high standards. Unless we arrange otherwise, there will not be opportunities for rewriting papers or redoing assignments. You therefore need to present your best work for every assignment. I will make time to discuss your work in office hours before it's due, so if you have any concerns at all about a paper or other assignment, please set up a time to discuss them in advance.

Class Participation. It is expected that members of the class will engage in vigorous class discussion in a way that is well-prepared, thoughtful, and respectful of the opinions of others. Quality of one's contribution to the discussion will weigh more heavily than quantity. My objective is to make the course relevant to issues today, intellectually stimulating, and also fun. That requires we all engage in discovery and conversation together. Part of your in-class participation grade will include the debate assessments you must do for both sides of each debate in which you are not on a debate team.

Discussion Boards. Most topics will have a discussion board within Canvas where students will be required to write their comments in response to a question posted in the discussion board. These comments will be counted as part of your class participation grade for the semester. You may skip exactly one discussion board assignment on a no-fault basis. Missed assignments beyond that one will negatively affect your grade. Late replies will not be accepted unless by prior arrangement.

Midterm. There is a midterm scheduled for October 25, which will be held virtually. It will be comprised of two short essays, which you choose from a set of multiple topics.

Class Debate/Position Paper. Each member of the class must *either* participate in a class debate *or* write a three-page paper taking a position on one of the major themes of the course.

Debate: There will be five in-class debates, with teams of two members on each side. Hence, 20 students will participate in debates. I will attempt to match your preference for the debate topic and the side you're representing on a best-efforts basis. The debates are a fun chance to work with other students to stimulate lively discussion of the course subject matter.

Position Paper: Students not participating in a debate will be required to submit a position paper in which they defend a view on one of the major questions of the course.

Final Paper. Members of the class must write a six-page paper with one of three objectives:

- 1) To research, critique, or expand on a topic from the course in greater detail.

2) To apply one of the theories studied to a contemporary issue in business, politics, or economics. An example would be debt forgiveness for developing countries.

3) To extend one of the theories of justice studied to a larger question such as global justice, environmental justice, or justice due to future generations.

Once you decide on a topic, you must preview it with me. You may suggest other topics for the final paper which will be subject to my approval. Failure to get your topic approved will automatically lower the grade for the paper.

Two weeks before the paper is due, I will take part of a class to discuss the paper options and expectations in greater detail. I will also have extended office hours during the reading days.

4. Grading

Coming to class, doing the reading assignments, and following the code on academic integrity are all basic requirements you must meet but which do not add to your grade (though failure to do these will absolutely subtract from your grade). The other requirements will have the following weights for your final grade.

Class Participation:	20%	In class participation, includes debate assessments
Class Participation:	15%	Discussion board participation
Midterm Exam:	20%	
Class Debate or Position Paper:	20%	
Final Paper:	25%	

Note that the grade reported in Canvas is not the grade for the course, since it does not include the class participation component. The grade calculated with these assignment weights is prior to any decrements for unexcused absences as defined above.

5. Keys to Success

My goal is for every student to do well in this class. The keys to doing so include:

- Be 100% all in: show up to class always, always on time, and always prepared.
- Participate: contribute to class discussion, be active in small group work and debate teams. Bring your unique perspective and interests to the class conversations and to your final paper.
- Ask questions. If you want further clarification, ask questions in class or in office hours.
- Relax. It will all turn out fine.

6. Course Plan and Readings

There is no text required. All readings are found on Canvas.

(Themes)

Capitalism & Inequality/Justice as Merit

8/30: Course Introduction & Overview

Class Discussion: Capitalism & Economic Inequality

Thomas Piketty, excerpt from *Capital in the Twenty First Century*

Piketty *et. al.* excerpt from the World Inequality Report

Raj Chetty, data from the Opportunity Atlas

Deirdre McCloskey, excerpts from *Bourgeois Equality*

9/6: Aristotle, *Nicomachean Ethics*, Book I.1-3; V.7

Aristotle, *Politics*, Book I.1-2 I.8-9 Book III.6-7, III.9-13

Justice as Protection of Property

9/11: John Locke, *Second Treatise on Government*, excerpts from Chapters I, II, III, IV, V and IX

9/13: Case Study: Private Property versus the Greatest Good

Do Markets Self-Regulate for the Common Good?

9/18: Adam Smith, *Theory of Moral Sentiments*, excerpts from Part I, Chapters 1, 2, 3; and from Part IV, Chapter 1

Wealth of Nations, excerpts from the Introduction, Chapters II, XI; from Book IV, excerpt of Chapter IX; from Book V, excerpt from Chapter I.

9/20: Class Discussion on Smith and Spontaneous Order

9/25: John Maynard Keynes, "The End of *Laissez-Faire*", Parts III-V

9/27: Friedrich Hayek, *The Constitution of Liberty*, "Equality, Value, & Merit"

Justice as the Greatest Good

10/2: John Stuart Mill, *Utilitarianism*, excerpts from Ch. I-IV

10/4: Mill, excerpt from Chapter V

Varieties of Utilitarianism (lecture)

Justice as Fairness

10/9: John Rawls, *A Theory of Justice*, excerpts from §§ 1, 3, 4, 5, 11, 12, 13, 17, 24, 25

10/11: Rawls (continued), excerpts from § 48

Libertarianism and the Capabilities Approach

10/16: Robert Nozick, *Anarchy, State, & Utopia*, excerpt from Ch. 7, Section I

10/18: Nozick, excerpt from Ch. 7, Section II

10/23 i) Amartya Sen, "Equality of What?"

ii) Class Discussion: Equality and the Capabilities Approach

10/25: **MIDTERM**

Debates, Discussion, and a Case Study

10/30: Class Debate #1: Should Student Loans Be Cancelled?
Class Discussion: Is Utilitarianism Applicable? Is it Just?

11/1: i) Class Debate #2: Should Government Address Inequality?
ii) Varieties of Libertarianism (lecture)

11/6: Class Discussion: Are There Collective Rights?

11/8: Case Study: Forming the Good Society Part I (via Zoom)

11/13 Case Study: Forming the Good Society Part II

11/15: i) Class Debate #3: Should Amazon Be Broken Up?

ii) Class Discussion: Are Equality and Liberty at Odds?

Looking Beyond Western Thought

11/20: ASYNCHRONOUS (homework): Neo-liberalism and History: How Should We Understand China? Cambridge University talk by Michael Puett (Harvard). *Optional reading*: George Soros, Xi's Dictatorship Threatens the Chinese State

SYNCHRONOUS (in class): Class Discussion of Neo-liberalism and China

11/27: ASYNCHRONOUS (homework): Is the "China Model" an Alternative to Western Liberal Democracies? TEDTalk by Eric X. Li, Essay by Yasheng Huang, Debate between Daniel Bell and Philip Pettit.

SYNCHRONOUS (in class): Class Discussion of the "China Model"

Generational and Global Justice

11/29: i) Class Debate #4: Should Developing Nations Be Exempted from Carbon Emission Limits?

ii) Class Discussion: Global Justice

12/4: Class Debate #5: Should Government Provide a Universal Basic Income?

Reading: Juliana Bidadanure, "The Political Theory of Universal Basic Income"

12/6: Class Discussion: Shareholder v. Stakeholder Rights; Guidance on Final Paper

Readings: i) Milton Friedman: "The Social Responsibility of Business is to Increase its Profits"

ii) Klaus Schwab: "What is Stakeholder Capitalism?"

12/11: Final Class

12/12-12/13: Reading Days.

12/14, 12/15, 12/19, 12/20 Online office hours for help on final papers.

12/21: Final Papers Due by 5pm via Canvas.