**Economics and Philosophy**

**ECON 0465 Syllabus**

Prof. Mike Kane Spring 2025

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 *Economists “need to spend more time with philosophers, recapturing the philosophical territory that used to be central to economics.”*

--Angus Deaton, 2015 Nobel Laureate in Economics

From *Economics in America: An Immigrant Economist Explores the Land of Inequality* (2023)

**1. Course Description**

Using the published works of economists, this course examines the philosophical territory economics inhabits, often uncritically. Many of the key ideas of standard economics, such as utility and welfare, have their origin in philosophy. In addition, economics uses unexpressed philosophical assumptions about the nature of rationality and of utility which this course will examine in detail.

After a discussion of the definition, scope, and methodology of economics, we consider three central concepts of economics which have their roots in philosophy: rationality, utility, and welfare. We consider whether the instrumental rationality and utility-maximizing behavior are accurate descriptions of humans or merely methodological premises. We contrast rational choice theory with alternative views presented by behavioral economics, social choice theory, and institutional economics. We also review public choice theory and critiques of welfare economics.

In order to demonstrate that economics has robust philosophical debates, this course includes four student-led debates (on technology and employment, minimum wage, free trade, and growth’s relation to utility) as well as four topics on which economics have published dissenting views: imperfect information, the moral dimensions of economic growth, the ethics of “nudging,” and market failure in invention.

Reviewing the views expressed in these disagreements will allow students to form their own opinions on major topics in economics where the arguments are largely philosophical. The goal of the overall course is to help students develop a more critical understanding of the assumptions of economics as it is practiced as a social science.

**2. Learning Objectives**

Participants in the course can expect to:

1) Learn the philosophical dimensions of some key concepts in economic science;

2) Become acquainted with the philosophical debates surrounding the methodology of economics;

3) Learn the philosophical views of history’s leading economists, including multiple Nobel laureates;

4) Read some of the most important essays in economic theory, using primary sources;

5) Examine the interchange of the major thinkers in economics as they disagree with each other on issues such as the morality of economic growth, the ethics of choice architecture, and the problem of imperfect information;

6) Recognize that economics, like any science, has competing theories, alternative approaches, and philosophical assumptions;

7) Learn to apply economic theories to real world topics, through the use of case studies and student debates;

8) Enhance your critical reasoning and your writing skills as you form your own opinion on these contested issues;

9) Improve your presentation and debate skills as you present a topic or reading to the class; and

10) Expand your understanding of economics beyond the neo-classical standard to include social choice theory, public choice theory, behavioral economics, and institutional economics.

**3. Course Requirements**

**Pre-Requisites**. Macro-economics or micro-economics (Econ 1 and Econ 2).

**Electronic Devices.** None. Student use of laptops, tablets, phones, and other electronics is not permitted in class. Students may use a laptop when participating in a class debate or when giving a class presentation, but in no other circumstances. If you use any electronics in class, you will be marked absent for the class with a negative impact on your final grade. The use of electronics in class has been proven to decrease student learning. It also goes against the culture I want to create of paying attention to each other in a respectful manner.

**Readings**. You must come each class having done the readings assigned. Where possible, I have tried to keep the selections short, especially since some of the readings are a bit challenging. That said, this course will involve much more reading and writing than is typical in an economics class.

**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, unexcused 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.** Office hours are Tuesdays from 10.45-Noon via Zoom. Other times for online and in person office hours can be arranged by appointment. Office hours will use this Zoom link for the semester: <https://upenn.zoom.us/j/98436700765>

**Academic Integrity.** Every member of the Penn community is responsible to uphold the University’s commitment to academic integrity. Please review [the policy](https://catalog.upenn.edu/pennbook/code-of-academic-integrity/) as a requirement for this course. Any cheating in the course, plagiarism of papers, use of AI generated work (see below) and the like will result in an automatic F for the assignment and possibly for the course, and the student will be reported for the violation. The disutility of cheating is intentionally extremely high in this course.

**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.

**Weekly Comments.**Most weeks students will write a short comment in response to a question about that week’s readings and content. In the course of the semester, you need to complete 10 sets of comments. Missed assignments will negatively affect your grade. Late replies will not be accepted unless by prior arrangement.

**Two Short Papers.** You must write two papers of 900-1000 words each exploring any topic of the course, including student debates, readings, and case studies, in greater detail. The first will be due before Spring Break and the second on the last day of class. You may submit these papers at any time before the due dates.

**Final Paper.** Members of the class will write a paper of 1200-1500 words 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 topics studied to a contemporary issue in business, politics, or economics.

3) To apply the debate about welfare economics to a topic such as climate, developing nations, the proper role of the state, etc.

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. 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. High Standards**

Every student will be held to the same high standards of responsible, professional behavior. If a behavior would be considered negative in a job setting, it will be considered very negative in this class. That means coming to class on time, having done the work, and prepared to contribute. There are no rewrites permitted, no late assignments accepted, and no inattentive behavior tolerated.

**5. Use of AI**

The use of any AI agent in a course assignment will be treated as a case of plagiarism with a resultant grade of 0 for the assignment as the minimum penalty. This includes any content written by AI or content written by you in your first language and then translated by AI into English. While AI has its place, that place is not in this course. AI is incompatible with the learning objectives of developing your critical reasoning and writing skills. Reliance on artificial intelligence to assist in a course assignment indicates you do not possess the sufficient skills to the assignment on your own. Your grade of 0 will properly reflect this.

**6. 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.

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| Assignment | Contribution to Final Grade |
|   |   |
| Class Participation | 10% |
| Weekly Comments | 10% |
| Short Paper 1 | 15% |
| Short Paper 2 | 15% |
| Presentation/Debate | 25% |
| Final Paper | 25% |
| Electronics Use | Treated as absence |
| Not Meeting Standards | Treated as absence |
| Absences | Lower final grade |

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 or phone use or failure to meet the standards as defined above. An F on an assignment is given when a student does not do the work or violates the academic integrity policy and is counted as a 0 in the final grade math.

**7. Implied Contract**

Your continuance as a registered student in this class shall be construed as an implied contract representing your consent to be held responsible for the standards and requirements of this course.

**8. Exams** There is no midterm exam for this course. The final is a term paper which students can write remotely.