

School of Arts & Sciences Prospectus

Course ID and 6-digit Number: ECON 045-001

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 2021

- *Synchronous or In-Person Sessions Planned*
 - This class will meet on campus twice a week (Mondays & Wednesdays) for 90 minutes sessions each.
 - Student are highly encouraged to come to office hours at least twice in the semester: once to talk generally about how the course is going for the student; the other to discuss the student's debate research or final paper. 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.

- *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) and a 6-page final paper each 30% 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 or set up in electronic reserves through Penn libraries. There are no texts to purchase.

Economics and Theories of Fairness **Full Syllabus** (revised August 23, 2021)

ECON 045

Office Hours: W 2-3.15pm (in person); Th 1-2.30pm (virtual)

Class Time: MW 3.30-5.00PM

Office PCPSE 501

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

Note for Fall 2021. The University is currently planning a return to in-person instruction on campus for the Fall semester. If that does not turn out to be the case for the entire semester, this course may then be offered as synchronous sessions through Zoom.

Pre-Requisites. None.

Readings. 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.

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.

Office Hours. Primary office hours are on Thursdays from 1-2.30 pm via Zoom. You're also welcome to come to in person office hours on Wednesdays from 2-3.15pm. Other times can be arranged by appointment. I suggest students have at least two conversations with me during office hours. You are strongly encouraged to make additional appointments to speak with me over the course of the semester.

Academic Integrity. 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.

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. The requirements for each response will be given with the question. These comments will be graded 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.

Midterm. There is one midterm scheduled for November 1. 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 debating. 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. 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: | 10% | Discussion board participation |
| Midterm Exam: | 25% | |
| Class Debate or Position Paper: | 20% | |
| Final Paper: | 25% | |

| Points Achieved | Letter Grade | Points Achieved | Letter Grade |
|-----------------|--------------|-----------------|--------------|
| 96 - 100 | A+ | 72 - 75.75 | C+ |
| 92 - 95.75 | A | 68 - 71.75 | C |
| 88 - 91.75 | A- | 64 - 67.75 | C- |
| 84 - 87.75 | B+ | 60 - 63.75 | D+ |
| 80 - 83.75 | B | 56 - 59.75 | D |
| 76 - 79.75 | B- | less than 56 | NP |

5. Course Plan and Readings

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

(Themes)

Inequality/Justice as Desert

- 9/1: Course Introduction & Overview; Class Discussion: 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

9/8: 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

9/13: John Locke, *Second Treatise on Government*, excerpts from Chapters I, II, III, IV, V and IX

9/15: Case Study: Private Property versus the Greatest Good

Do Markets Self-Regulate for the Common Good?

9/20: Adam Smith, *Theory of Moral Sentiments*, excerpts from Part I, Chapters 1, 2, 3; and from Part IV, Chapter 1

Class Discussion: The Web as Model for Society (decentralized, self-regulating, user-generated, spontaneously ordered)

9/22: Adam Smith, *Wealth of Nations*, excerpts from the Introduction, Chapters II, XI; from Book IV, excerpt of Chapter IX; from Book V, excerpt from Chapter I.

9/27: John Maynard Keynes, "The End of *Laissez-Faire*", Parts III-V

9/29: Friedrich Hayek, *The Constitution of Liberty*, "Equality, Value, & Merit"

Justice as the Greatest Good

10/4: John Stuart Mill, *Utilitarianism*, excerpts from Ch. I-IV

10/6: Mill, excerpt from Chapter V

Varieties of Utilitarianism (lecture)

10/11: Class Debate #1: Does the Common Good Outweigh Individual Rights?

Class Discussion: Is Utilitarianism Applicable? Is it Just?

Justice as Fairness

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

10/18: Rawls (continued), excerpts from § 48

10/20: i) Class Debate #2: Should Government Address Inequality?

ii) Class Discussion: Is Equality Attainable?

Libertarianism

10/25: Robert Nozick, *Anarchy, State, & Utopia*, excerpt from Ch. 7, Section I

10/27: Nozick, excerpt from Ch. 7, Section II

11/1: **MIDTERM**

11/3: Milton Friedman, *Capitalism & Freedom*, Ch. 1, "The Relation Between Economic Freedom and Political Freedom"

Varieties of Libertarianism (lecture)

11/8: Case Study: Forming the Good Society Part I

11/10: 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?

11/17: Class Discussion: Are There Collective Rights?

Looking Beyond Western Thought

11/22: 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

11/29: 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

12/1: i) Class Debate #4: Should Developing Nations Be Exempted from Carbon Emission Limits?

ii) Class Discussion: Global Justice

12/6: i) Class Debate #5: Can Economists Save the World?

ii) Class Discussion: Justice Between Generations

12/8: Recap of Major Themes Covered; Guidance on Final Paper

12/11-12/14. No Class: Reading Days.

12/11 & 12/14: Online office hours for help on final papers.

12/20: Final Papers Due by 5pm via Canvas.