

## **POLS 047: Ethics and Economics**

*Jonny Thakkar*

**Winter 2018**

**T/Th 11:20-12:35pm**

**Trotter 303**

**Office Hours: Thursdays 2:30-4:30 in Trotter 319**  
**jthakka1@swarthmore.edu**

### **Course Description**

The discipline of economics has a huge influence in today's world, but from a philosophical perspective its fundamental presuppositions are extremely controversial. This course aims to shed light on those presuppositions by drawing on writings from philosophers, sociologists, political scientists and historians as well as economists themselves. We begin by assessing its claim to moral and political neutrality, focusing in particular on the notions of efficiency, growth, costs and benefits, and rational choice. Next we consider three of its basic concepts—money, property and markets—asking questions such as the following: What is money? What justifies private ownership? And should some things simply never be for sale? In the final part of the course we inquire into how the two central questions of ethics—What ought I to do? And what is the good life?—bear on our assessment of production and consumption.

### **Course Objectives**

This is not a course in economic theory, and it is in no way intended to substitute for one. The aim is rather to raise questions about the basic categories of economic thought and action and hence to spur reflection on the place of economic activity within a good society. As a result, students are not required to have taken any courses in economics as prerequisites for this one (although having done so would certainly be an advantage). Like any course in political philosophy, this course will develop your ability to make and evaluate arguments, both in writing and in conversation, and thereby help you think clearly and critically about politics and society. It will also expose you to an array of arguments from across the political spectrum that will present powerful challenges to your existing beliefs and thereby force you to consider what you really believe and why.

### **Course Evaluation**

Participation	10%
2 Presentations	30%
2 Papers	60%

## **Participation**

This will be a discussion course rather than a lecture course. Students must therefore arrive at class having read and annotated the material, ready to propose a question for discussion if called upon. Once discussion is underway, ideally everyone should make their points clearly and concisely and with genuine attention to what others have said. This requires taking notes as the discussion proceeds, and being willing to intervene if it seems that one class member is misunderstanding another. It also requires active participation by all. Some will have to make a special effort to get over their shyness; others will have to restrain themselves to make room for others to speak. There is no participation grade as such, but the quality of your participation may lead me to adjust your overall grade upwards or downwards within the bounds of the rubric above.

## **Presentations**

In order to facilitate discussion, each student will be responsible for making two short presentations over the course of the semester. Your goal is to analyse one of the central arguments found in the reading for that day's session by answering three questions: What is the problem that the argument is supposed to solve? What are the different steps in the argument? And what objections might a critic make to the argument? These presentations should last no longer than 5 minutes and they should be accompanied by a one-page handout summarizing the main points.

## **Papers**

Each student is required to write two papers of 6-7 pages (double-spaced, 12-point Times New Roman). The paper topics are up to you, but the format should be closely related to that of the presentations: you should provide a critical analysis of an argument found in the readings. Having said that, the topic of your presentations ought not to overlap with the topic of your papers.

You should hand in a printed copy of each paper at the start of class on the relevant day. Late work will be marked down by one full grade per day late, with the first day beginning immediately after the deadline, unless there is documentary evidence of an emergency or prior arrangements have been made due to exceptional circumstances. Please note that foreseeable workload crises due to midterms, sporting competitions, theatrical productions and so on do not count as exceptional circumstances at Swarthmore.

## **Other Requirements**

Please refrain from using mobile phones and other gadgets during class unless you have received permission from me beforehand; if at all possible, please print the readings rather than access them on your computer during class. If you have any questions or concerns about the way class is being conducted, or if you would like to discuss the material further, please come to my office hours. Finally, please note that students found to have plagiarized work or otherwise cheated will fail the course. If you have any doubt as to what constitutes academic misconduct, please check with me or consult the College's guidelines.

## **Disability Accommodations**

If you believe that you need accommodations for a disability, please contact the Office of Student Disability Services (Parrish 113W) or email [studentdisabilityservices@swarthmore.edu](mailto:studentdisabilityservices@swarthmore.edu) to arrange an appointment to discuss your needs. As appropriate, the Office will issue students with documented disabilities a formal Accommodations Letter. Since accommodations require early planning and are not retroactive, please contact the Office of Student Disability Services as soon as possible. For details about the accommodations process, visit the Student Disability Service Website at <http://www.swarthmore.edu/academic-advising-support/welcome-to-student-disability-service>. You are also welcome to contact me privately to discuss your academic needs. However, all disability-related accommodations must be arranged through the Office of Student Disability Services.

## Part One: Moral and Political Neutrality

### 1. The Ideal of Neutrality

- 1/23 Max Weber, “Science as a Vocation”
- 1/25 Milton Friedman, “The Methodology of Positive Economics”; Gary Becker, “The Economic Way of Looking at Life”
- 1/30 Hal Varian, *Intermediate Microeconomics: A Modern Approach*, ch.1; Daniel Hausman and Michael McPherson, “Ethics in Positive Economics: Two Examples”
- 2/1 Anthony E. Boardman et al., *Cost-Benefit Analysis: Concepts and Practice*, chs. 1-2; John Broome, “Trying to Value a Life”
- 2/6 Donald Mackenzie, *An Engine Not a Camera: How Financial Models Shape Markets*, ch. 1; Fred Block, *Postindustrial Possibilities: A Critique of Economic Reason*, chs. 6 and 7

### 2. Homo Economicus

- 2/8 Mancur Olson, *The Logic of Collective Action* (selections)
- 2/13 Amartya Sen, “Rational Fools: A Critique of the Behavioural Foundations of Economic Theory”; Jon Elster, “Sour Grapes: Utilitarianism and the Genesis of Wants”
- 2/15 Philip Pettit, “The Virtual Reality of *Homo Economicus*”; Alex Rosenberg, “From Rational Choice to Reflexivity: Learning from Sen, Keynes, Hayek, Soros, and most of all, from Darwin”
- 2/20 Elinor Ostrom, “Collective Action and the Evolution of Social Norms”; Elizabeth Anderson, “Beyond *Homo Economicus*: New Developments in Theories of Social Norms”

## **Part Two: Basic Concepts**

### **3. Property and Money**

- 2/22 Stephen Munzer, “Understanding Property”; James Penner, “An Alternative Definition of Property”
- 2/27 Georg Simmel, “Exchange”; Nigel Dodd, “Simmel’s Perfect Money”
- 3/1 John Searle, “What Is an Institution?”; P. Smit, Filip Buekens & Stan du Plessis, “What is Money? An Alternative to Searle’s Institutional Facts”
- 3/6 G. Ishmaev, “Blockchain Technology as an Institution of Property”; Ole Bjerg, “How is Bitcoin Money?” & FIRST PAPERS DUE

### **4. Public and Private**

- 3/8 John Locke, *Second Treatise of Civil Government*, ch. 5; Robert Nozick, *Anarchy, State and Utopia*, ch. 7

## **SPRING BREAK**

- 3/20 G. A. Cohen, “Freedom and Money”; Elizabeth Anderson, “Equality and Freedom in the Workplace: Recovering Republican Insights”
- 3/22 Murphy and Nagel, *The Myth of Ownership*, chs. 2-4
- 3/27 A. Dorfman and A. Harel, “The Case Against Privatization”; David Ciepley, “Beyond Public and Private: Toward a Political Theory of the Corporation”
- 3/29 Gerald Gaus, “The Property Equilibrium In A Liberal Social Order”
- 4/3 Leif Wenar, “Property Rights and the Resource Curse”

## 5. Markets and Commodification

- 4/5 Friedrich Hayek, *Law, Legislation and Liberty*, Vol. 2, chs. 10 and 11
- 4/10 Garrett Hardin, “The Tragedy of the Commons”; Elinor Ostrom, *Governing the Commons*, ch.1
- 4/12 Karl Polanyi, *The Great Transformation*, chs. 4-6; Stephen Marglin, *The Dismal Science*, “What Is Community? And Is It Worth The Cost?”
- 4/17 Elizabeth Anderson, *Value in Ethics and Economics*, chs. 1 and 7
- 4/19 Debra Satz, *Why Some Things Should Not Be For Sale*, chs. 5 and 6

## Part Three: Economic Virtue

### 6. Morals within Markets

- 4/24 Albert Hirschmann, *The Passions and the Interests*, Part One; Daniel Bell, “The Cultural Contradictions of Capitalism”
- 4/26 Benjamin Powell and Matt Zwolinski, “The Ethical and Economic Case Against Sweatshop Labor: A Critical Assessment”; Matthew Coakley and Michael Kates, “The Ethical and Economic Case for Sweatshop Regulation”
- 5/1 Milton Friedman, “The Social Responsibility of Business is to Increase Its Profits”; Joseph Heath, “A Market Failures Approach to Business Ethics”
- 5/3 Luigino Bruni and Robert Sugden, “Fraternity: Why the Market Need Not Be A Morally Free Zone”; Axel Honneth, “The ‘We’ of the Market Economy” & SECOND PAPERS DUE