MARQUETTE UNIVERSITY

Spring 2012

ECON 4070-101

Economics and Ethics

MWF 1:00-1:50, 365 Straz

Dr. John B. Davis

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Office Hours TTh 10:00 – 12:00 or by appointment

Course description

This course examines the relationship between economics and ethics, or how moral values and ethical reasoning are involved in both the science of economics and the operation of the economy. The aim of the course is to introduce students to the role of ethical reasoning in economics and economic life, and thereby help create a capacity on their part for ethical reflection and action in connection with economic policy and individual economic experience. The strategy of the course is to investigate a range of important issues which have ethical and economic dimensions in a way that provides students with an extensive opportunity to discuss and reflect on their own values and understanding of how the economy functions.

Readings


Readings posted on D2L.
**Course procedure and organization**

This course is organized in seminar-participatory style that emphasizes student discussion and short presentations. It is a goal of the class for students to discover how they think about ethical issues in connection with broad economic issues that have ethical implications. We will see that different types of ethical principles and kinds of moral reasoning play different roles in different connections. Through student discussion and presentations we will learn which principles and reasoning are most helpful and illuminating according to the issue being investigated.

There are three sections to the course:

**I. Introduction to Economics and Ethics**

The course begins with three and a half weeks of stage-setting and introduction to the subject of economics and ethics which combines lecture and general class discussion (January 18 through February 10). After looking at an infamous example of a failure to think about the relationship between economics and ethics (the ‘Summers World Bank memo’), we look at two standard accounts of the different ways in which economics and ethics are related (Wilber and Boumans-Davis). We then look at a more extended and systematic discussion of the relationship between the two domains in the short (but dense and challenging!) book by the leading contributor to the subject of economics and ethics, Nobel laureate Amartya Sen.

**II. Issues in Economics and Ethics**

We devote nine weeks of the semester to investigating selected readings (posted on D2L) on a set of issues that combine ethical and economic thinking.

The organization of each week is as follows. Mondays I will introduce the topic of discussion, then three or four students will present and explain answers to questions on the week’s reading (given in advance), followed by general class discussion, and by closing comments from me at the end of class. Basically the function of Mondays is to set out and explain the material so that we understand it. Wednesday will have the same presentation format except that another three or four students will evaluate and comment on the answers to questions given by the Monday teams. Basically the function of Wednesdays is to critically investigate the material to allow students to determine their ethical views and the roles they may play in their understanding of the issue. Fridays will involve summing-up lecture and general class discussion of the results of the week’s investigation.

**III. Discussion of Papers**

We will take the last week’s three meetings (April 30, May 2, 4) to briefly present student papers. Each student will have about 5 to 10 minutes to simply say what their paper was about. The goal is to acquaint everyone with the range of topics covered by the papers in the course.
Course requirements and grading scale

I. Exams

There are two exams, each worth 25 points, for a total of 50 points:

(i) A take-home exam will be distributed Friday February 10, and is due in class Monday February 13. The exam covers the material presented from the beginning of class through February 10, and the questions are based on the readings and lecture. Questions are short answer.

(ii) There is a final exam Monday May 7 (8:00-10:00). The exam covers the issues addressed in the course (but not the material from the take-home exam). Questions are also short answer.

II. Paper

The course paper is worth 30 points. The subject of the paper is a current real world economic issue or problem whose full understanding requires ethical reasoning. Students select the issue they want to write about. Points for the paper are:

(i) Paper proposal: 5 points. Draft proposal due February 24 by email.
(ii) Meeting with me to discuss your paper: 5 points. Before March 2
(iii) Paper outline (see below): 5 points. Due March 2 by email.
(iv) Final paper: 10 points. Due April 27 by email.
(v) Paper presentation: 5 points. Last week of class.

The structure of the paper is as follows (include these sections in your paper with numbered titles!): (i) the paper first identifies and describes the economic issue or problem to be examined; (ii) it then shows how addressing that issue raises ethical questions subject to different interpretations according to the different ethical assumptions people make; (iii) it then makes an argument for one solution to the economic issue or problem; (iv) and finally it explains what sort of resolution of the ethical disputes surrounding the issue that solution involves. The aim of the paper is to develop students’ critical thinking abilities and understanding of the interaction between ethics and economics.

III. Participation

Presentations count for 20 points of the course grade; 10 points for Monday presentations, and 10 points for Wednesday presentations. Everyone is responsible for participating in one Monday and one Wednesday during the semester.

Monday presentations involve giving a three to four bullet-point type sentence outline of an answer to a pregiven question on the assigned reading. There will be two pregiven questions per student. The presentation itself involves talking through and explaining your outline to the answers to each of your questions (worth 5 points); your written outline is handed in at the end of class (worth the other 5 points).
Wednesday presentations also involve giving a three to four bullet-point type sentence outline of a response to any of the Monday answers – your choice! Two responses or comments per student. The presentation again involves talking through and explaining each of your responses. These responses can involve comments, extensions, criticisms, and other reactions to the Monday answers (worth 5 points); the written outline is handed in at the end of class (worth the other 5 points).

Missed presentations will be rescheduled if the schedule permits it; otherwise the student loses these points.

**IV. Midterm grades**

Midterm grades are based on 50 points:

(i) The take-home exam: 25 points.
(ii) One Monday or Wednesday presentation: 10 points.
(iii) The paper proposal: 5 points; the meeting with me 5 points; and the paper outline 5 points.

**V. Grading scale for the course as a whole**

The grading scale is: A = 90 and above, AB = 85 to 89, B = 80 to 84, BC = 75 to 79, C = 70 to 74, CD = 65 to 69, D = 60 to 64, F = below 60.

**Class attendance policy**

This course observes the College of Business Administration class attendance policy. Students are expected to attend all classes. Missed classes should be discussed with the instructor before or immediately after being missed.

**Academic dishonesty policy**

This course also observes the College of Business Administration academic dishonesty policy. Papers may be submitted to an electronic plagiarism detection program. Students are required to turn in electronic versions of their final papers.

**Special needs**

Please inform me during the first week of class if you have any conditions that may limit or affect your ability to participate in this course so that we can make necessary arrangements. You may also contact the Office of Student Educational Services (OSES), in AMU 317 (8-3270) for more information (see also: [http://www.marquette.edu/oses/](http://www.marquette.edu/oses/)).
# Course Schedule

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<tr>
<th>Date Range</th>
<th>Topic/Assignments</th>
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<tbody>
<tr>
<td>January 18, 20</td>
<td>‘Summers World Bank memo’</td>
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<tr>
<td>January 23, 25, 27</td>
<td>Wilber: “Economics and ethics”</td>
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<td>Boumans-Davis: “Value Judgments in Economics”</td>
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<td>January 30, February 1, 3</td>
<td>Sen: On Ethics and Economics</td>
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<tr>
<td>February 6, 8, 10</td>
<td>Sen: On Ethics and Economics</td>
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<tr>
<td>February 13, 15, 17</td>
<td>February 10 <em>take-home exam</em>; due February 13</td>
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<tr>
<td>February 20, 22, 24</td>
<td>markets</td>
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<tr>
<td>February 27, 29, March 2</td>
<td>health</td>
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<td>February 24 <em>draft paper proposal</em> due by email</td>
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<tr>
<td>March 5, 7, 9</td>
<td>inequality</td>
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<td>March 2 <em>draft paper outline</em> due by email</td>
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<td>March 11-18</td>
<td><em>spring break</em></td>
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<tr>
<td>March 19, 21, 23</td>
<td><em>poverty</em></td>
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<tr>
<td>March 26, 28, 30</td>
<td><em>well-being</em></td>
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<tr>
<td>April 2, 4</td>
<td><em>codes</em></td>
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<td>April 5-9</td>
<td><em>Easter break</em></td>
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<td>April 11, 13</td>
<td><em>Inside Job</em></td>
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<td>April 16, 18, 20</td>
<td><em>development</em></td>
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<td>April 23, 25, 27</td>
<td><em>the environment</em></td>
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<td></td>
<td>April 27 <em>final paper</em> due by email</td>
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<tr>
<td>April 30, May 2, 4</td>
<td><em>student paper presentations</em></td>
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<tr>
<td>May 7</td>
<td><em>final exam, 8:00-10:00</em></td>
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College of Business Administration Assessment Statement

The fundamental mission of the College of Business Administration is to provide a quality education grounded in Catholic, Jesuit intellectual values. Students are expected to learn how to function effectively in a diverse and global economy so that they may develop into ethical and socially responsible global leaders and responsible members of their organizations and communities. As one of many methods of assuring that the goals of our educational mission are successfully met, the college regularly and systematically engages in the assessment of these competencies.

Students in the Bachelor of Science in Business Administration program are assessed on their ability to reason ethically, communicate effectively, analyze critically, and understand local, national and global business and cultural issues. Students in our MBA programs are also assessed on their competency to communicate effectively, reason ethically and apply critical thinking, as well as their capacity to comprehend the global strategic issues of firms and perform fundamental activities of business managers. Students in our other graduate programs are assessed on specific competencies related to their disciplines.

Assessment takes place each semester in all programs and settings using quantifiable measures; that information is gathered and analyzed information to help continuously improve the educational process. The College of Business Administration is dedicated to successfully providing a quality education for all students. Assessment is the continuous improvement process of evaluating our success. More information on assessment can be found at:

(http://www.marquette.edu/assessment/)

or in the assurance of learning tabs under:

http://business.marquette.edu/academics/assurance-of-learning-undergrad

College of Business Administration Undergraduate Assessment Goals

Apply effective written and oral communication skills to business situations; analyze the global business environment; analyze the local business environment; use critical thinking skills in business situations; apply an ethical understanding and perspective to business situations.