

# MORAVIAN COLLEGE

## ECON/IDIS 393 (ST) Morals, Markets and Managers

### Fall 2014 Course Syllabus

Instructor: Dr. James West, Professor of Economics and Management

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Office Hours: T TH 9-10; 10:45-11:45; W 6:00-6:30 or by appointment

**Course Description:** 'Morals, Markets and Managers' is a course that investigates the moral foundations of the free enterprise system. Employing tools and methods of philosophy, history and economic theory, the ethical implications of the market and management allocation of resources will be evaluated. Drawing on the work of early classical, as well as contemporary moral and economic thinkers, the course traces the evolution of economic thought with particular focus on the moral foundations of the American economy. Economic assumptions about human nature, property rights, profit making, prices, work, efficiency, equality and equity will be assessed. Economic and ethical theory will be employed to evaluate contemporary macro and microeconomic issues, including, welfare economics, government regulation, business social responsibility, economic development, entrepreneurship, philanthropy. Finance, labor and environmental economic issues will also be considered.

#### **Course Objectives:**

##### **Student Outcomes**

- An awareness of the complexity of moral issues and of the need for interdisciplinary understanding for informed moral decision-making
- A grappling with the student's own values and moral position-taking
- An enhanced capacity for moral discernment, criticism, and argument
- Developing skills of economic and ethical approaches to evaluate a selection of applied contemporary macro and micro issues, including, market regulation, business social responsibility, sustainable economic development, labor and environment, philanthropy, among others.

- To identify and evaluate contemporary public policy choices advocated by conservative and progressives politicians in order to debate.
- Critically evaluating economic and moral assumptions about human nature, property rights, profit making, efficiency, equality and equity will be assessed. Moral theories of rights, justice, virtues, utility, progress along with positive and normative analysis, autonomous versus relational morality, constrained and unconstrained vision and rational versus non rational decision making will be among the topics explored.

**Required Texts:**

- 1) Economics as Applied Ethics: Value Judgments in Welfare Economics, Palgrave Publishers, 2011, ISBN 978-0-230-27837-0
- 2) New Ideas from Dead Economists: An Introduction to Modern Economic Thought by Todd Buchholz, Penguin Publishers, 2007. ISBN: 978-0-452-28844-7.
- 3) America's Economic Moralists, by Donald E. Frey, State University of New York Press, 2012, ISBN 978-0-79149351-9
- 4) Franklin's Ways to Wealth and Penn's Maxims, Dover Publications, 2008; ISBN: 978-0-486-45460-3
- 5) Conscious Capitalism: Liberating the Heroic Spirit of Business, by John Mackey and Raj Sisodia, Harvard Business School Publishing, 2013; ISBN: 978-1-4221-4420.
- 6) What money Can't Buy: The Moral Limits of Markets, by Michael J. Sandel, Farrar, Straue and Giroux Books, 2012.
- 7) "The Wall Street Journal' and/or other business oriented newspapers, periodicals and websites.
- 8) <https://web.archive.org/web/20090219203247/http://cepa.newschool.edu/het/index.htm>

**Grading and Course Policies: Grading and Course Policies:**

Students are expected to attend all classes. Unexcused absences will affect grades. Students should come to class having read in advance the day's assignment as indicated on the course syllabus, posted on Blackboard or given in an earlier class. Students should complete all assignments by the

due dates and present them in a professional manner. Students should take exams as scheduled. Make-up exams, which must be preapproved and with compelling and documented reasoning, may be more difficult, given the extra time of preparation, for the exam. Please do not bring food to class. It is distracting to all. Drinks are allowed.

There will be two semester exams and a final exam as scheduled by the Registrar. Each will count for 25% of the final grade with the Final Exam also counting for 25%. The remainder will be based on a class grade determined by attendance, participation, completion of assignments and announced (and possibly unannounced) quizzes. Policies on Academic Honesty are enforced. Refer to the student handbook for details on these policies.

**Disability Support Services - Students who wish to request accommodations in this class for a disability should contact Elaine Mara, assist director of learning services for academic and disability support located on the first floor of Monacacy Hall, or by calling 610-861-1401. Accommodations cannot be provided until authorization is received from the Academic Support Center. Students with other needs/concerns are encouraged to make an appointment with Dr. Ronald Kline in the Counseling Center (all other disabilities). The Counseling Center is located at 1307 Main Street, 610-861-1510. Please refer to the Moravian College Student Handbook under Academic Resources for more information.**

**Week of:**

**Aug 25**

**Moral Philosophy and Economy – An introduction to moral cosmology and economic scarcity, conquest and cooperation. The individual; alone and in the aggregate. Conscious Capitalism: Intro and Chapters 1-4.**

**Sept 1**

**An Overview of Economic Issues and Institutions: Then and Now – Empire, Feudalism, Nation States, Socialism, Communism, Liberalism, Capitalism, Democracy, Poverty, Development, Technology, and the Global Economy. Book Club Discussion: Conscious Capitalism: Chapters 5-12.**

**Sept 8**

**A Survey of Economics Theory through 1776: Ancient, Medieval, Mercantilist, Physiocrats, Enlightenment. The morality of laissez-faire and management intervention. Book Club Discussion: Conscious Capitalism: Chapters 13-18 plus appendices.**

**Sept 15**

**An introduction to moral philosophy in relation to economics: Aristotle, Aquinas, Locke, Hume, Bentham, Kant, and others. Selected readings; Book Club Discussion: “What Money Can’t Buy” Chapters 1-2. Great Pennsylvanians: “Franklin’s Ways to Wealth and Penn’s Maxims: William Penn (pages 16 to end).**

**Sept 22**

**Contemporary moral philosophy and contemporary economics: Rawls, Nozick, Novak, Sowell and others. “What Money Can’t Buy” Chapters 3-5. Great Pennsylvanians – “Franklin’s Ways to Wealth and Penn’s Maxims”, Benjamin Franklin (pages 1-16).**

**Sept 29**

**Key thinkers in the early modern economics: Adam Smith, Malthus, Ricardo and Mill. The birth of classical economics Book Club Discussion: “New Ideas from Dead Economists” Chapters 1-5. “America’s Economic Moralists” Chapters 1-3. A**

**Oct 6. 19**

**Moral Influence of American Colonialism: Fairness and Laissez Faire; “America’s Economic Moralists” Chapters 1-4. Book Club Discussion: “New Ideas from Dead Economists” Karl Marx and; Alfred Marshall. Book Club Discussion: “New Ideas from Dead Economists” Chapters 4-6.**

**Oct. 13**

**19<sup>th</sup> Century Capitalist Dialectic: Social Darwinism and the Social Gospel. The 20<sup>th</sup> Century American Economy.” “America’s Economic Moralists” Chapters 5-8. Book Club Discussion: “New Ideas from Dead Economists” Chapters 7-8.**

Oct 20

**“America’s Economic Moralists” Chapters 9-12. The dialectic within the Capitalist World: J.M. Keynes vs. F. A. Hayek: The General Theory and the Road to Serfdom, with a word or two from Josef Schumpeter. The dialectic continued: J.K. Galbraith vs. Milton Friedman: The Affluent Society vs. Capitalism and Freedom. Book Club Discussion “New Ideas from Dead Economists” Chapters 9-10.**

Oct 27

**“America’s Economic Moralists” Chapters 13-16. An economic and moral analysis of “The Great Society and the War on Poverty. Summary and Review. Student research presentations and discussion. Applying Ethics to Economics Overview. Student research presentations and discussion.**

**OCTOBER 29 - 7:30 pm Foy Hall. Required Evening Program. Rabbi Daniel Lapin “What’s so Moral about Making Money”**

Nov 3

**Applying Ethics to Economics, Part 1: Moral dimensions of economic decision making. Business decision making and the ‘Doctrine of Social Responsibility’. The ‘manager’ as an ethical lightning rod. “*Economics as Applied Ethics*”. Applying Ethics to Economics, Part 2. Positive and Normative Economics: Value judgments and welfare economics. Student research presentations and discussion. Student research presentations and discussion.**

Nov 17

**Applying Ethics to Economics, Part 3: Economic Development: Theory, Institutions and Organizations. The UN, World Bank, IMF, WTO and others. The Washington Consensus. Student research presentations and discussion. Student research presentations and discussion.**

Nov 24

**Applying Ethics to Economics, Part 4: Externalities and the Environment. Environmental economics and environmentalism. Student research presentations and discussion. Applying Ethics to Economics. Student research presentations and discussion.**

**Dec 1**

**Part 5: Globalization: Immigration, Trade and Foreign Investment.: The economic, moral and ethical issues of the global economy. The economic and moral foundations of diverse 21st century issues in contemporary American society. Student research presentations and discussions.**

**Final exam as determined by the Registrar.**