

Business & Economic Ethics

Philosophy 325

Dr. Stephen Hicks

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Of all the endeavors that have contributed to the quality of human life, business ranks with science, art, and education. Yet like all human endeavors, business raises its share of difficult ethical questions and problems. Our task this semester will be to explore those questions and problems.

We will divide our time equally between theory and practice. We will discuss crucial theoretical issues such as: the debates over egoism and altruism, and over capitalism and socialism; competing accounts of rights, justice, profits, and competition; and the nature of employer-employee and business-consumer relations. And we will discuss the practical applications of the theoretical issues through numerous real-life case studies.

Course Readings

- David R. Henderson, editor. *The Concise Encyclopedia of Economics*. Available free online at <http://www.econlib.org/LIBRARY/CEE.html>. Also available in hardcover and paperback form from Amazon.com and other sources.
- Stephen Hicks, *Cases and Readings in Business Ethics* binder packet.
- Ayn Rand, *Atlas Shrugged*. (Signet)

Assignments and Grading

▪ Test (Feb 20)	20
▪ Three-point lists	20
▪ Essay (Apr 8)	20
▪ Participation	10
▪ Exam	<u>30</u>

On the Essay

- Topic: “Power corrupts, and absolute power corrupts absolutely”—True or False?
- 2000 words.
- Due: Monday, April 8.
- Center for Ethics and Entrepreneurship prizes for the best essays in Philosophy 325: \$300 for First Place. \$100 each for two Honorable Mentions.

A copy of this syllabus and schedule can also be found online at www.StephenHicks.org.
For Honor Code and Disability issues, consult the College’s website.

Schedule and Readings

[CEE] = *Concise Encyclopedia of Economics*

[SH] = *Cases and Readings in Business Ethics*

Week	Lecture Topics	Readings
1 Jan 21-23	Introduction: Business, Wealth, and Modern Ethical Debates	Don Boudreaux, "A 1975 Sears Catalog" [SH] Steven Landsburg, "Leisure Time" [SH] Stephen Davies, "The Great Horse-Manure Crisis of 1894" [SH]
2 Jan 26-30	Ethical Principles: Egoism, Altruism, or Selfishness?	Stephen Hicks, "AR and Contemporary Business Ethics" [monograph]
3 Feb 2-6	The Ethics of Free Markets, Capitalism, and Libertarianism The Ethics of Socialism and Central Planning	Thomas Jefferson, The Declaration of Independence [SH] The United States Bill of Rights [SH] Robert Hessen, "Capitalism" [CEE] Robert Heilbroner, "Socialism" [CEE]
4 Feb 9-13	Case: Minimum Wages Case: Rent Control Video: ABC News Special, "Greed" (Feb 13)	Linda Gorman, "Minimum Wages" [CEE] Walter Block, "Rent Control" [CEE]
5 Feb 16-20	Case: The Tragedy of the Commons Guest Speaker (Feb 18): Dr. Steven Horwitz on "Wal-Mart to the Rescue" Test	Garrett Hardin, "The Tragedy of the Commons" [CEE] ; "The Berry Bikes" and "Common Property Bicycles" [SH]
6 Feb 23-27	Ethics in Mixed Social Systems	Ayn Rand, <i>Atlas Shrugged</i> , Chapter 1-2 Ayn Rand, <i>Atlas Shrugged</i> , Chapter 3-4 Ayn Rand, <i>Atlas Shrugged</i> , Chapter 5-6
7 Mar 2- Mar 6	Ethics in Mixed Social Systems	Ayn Rand, <i>Atlas Shrugged</i> , Chapter 7-8 Ayn Rand, <i>Atlas Shrugged</i> , Chapter 9-10 Gordon Stubbley, "Engineers and Integrity" [monograph]
8 Mar 9-13	Spring Break: No classes	
9 Mar 16-20	Ethics and the Subprime Mortgage Crisis Guest Speaker (Mar 18): Dr. Bradley Thompson on John Adams Case: <i>Kelo v. New London</i>	Subprime Mortgage Crisis Flowchart, etc. Institute for Justice & Supreme Court on <i>Kelo v. New London</i> [SH]; "Zoning: Examples" [SH]

<p>10 Mar 23-27</p>	<p>Case: Laetrile</p> <p>Guest Speaker (Mar 25): Dr. David Mayer on Thomas Jefferson</p> <p>Overflow</p>	<p>“Manufacture & Regulation of Laetrile” [SH]</p> <p>David Mayer, “Thomas Jefferson, Man versus Myth” [monograph]</p>
<p>11 Mar 30-Apr 3</p>	<p>Case: The FCC’s ‘Fairness Doctrine’</p> <p>Guest Speaker (Apr 1): Anja Hartleb-Parson on Government Bailouts</p> <p>Overflow</p>	<p>“The FCC’s ‘Fairness Doctrine’” [SH]</p>
<p>12 Apr 6-10</p>	<p>Video: ABC News Special, “The Blame Game”</p> <p>Essay due: April 8</p> <p>Employment: Modern Employment Wages and Working Conditions</p>	<p>Stanley Lebergott, “Wages and Working Conditions” [CEE]</p>
<p>13 Apr 13-17</p>	<p>Employment: Discrimination & Affirmative Action</p> <p>Case: Affirmative Action</p> <p>Case: Hazardous chemicals and women of childbearing age in the workplace</p>	<p>Bettina Greaves, “The Liberation of Women” [SH]</p> <p>Linda Gorman, “Discrimination” [CEE]</p> <p>Case: “Du Pont’s Policy of Excluding Women from the Workplace” [SH]</p>
<p>14 Apr 20-24</p>	<p>The Ethics of Money</p>	<p>“Quotations on Money” [SH]</p> <p>“Francisco’s Money Speech,” <i>Atlas</i> (II, Ch. 2)</p> <p>Tara Smith, “Money <i>Can</i> Buy Happiness” [monograph]</p>
<p>15 Apr 27-May 1</p>	<p>Money, Information, & Financial Markets</p> <p>Guest speaker on Sarbanes-Oxley?</p>	
<p>16 May 4-8</p>	<p>Insider Trading</p> <p>Case: An Insider Trading Dilemma</p> <p>Conclusions</p>	<p>Stanislav Dolgoplov, “Insider Trading” [CEE]</p> <p>“An Accountant’s Small-Time Insider Trading” [SH]</p>
<p>17 May 11</p>	<p>1-3 p.m.: Final Examination</p>	