

PPE 160
Freedom, Markets, and Well-Being
TR 2:55–4:10, Pearsons 203

Fall 2021
E. Brown & M. Green

Contact information and office hours

Brown (she/her/hers):

Office: Carnegie 216 *Office phone:* 909-607-2810

Office hours: Tuesdays 10:00-11:30AM, Wednesdays 3:30-4:30PM, and by appointment. Zoom office hours available by appointment; Zoom office hours link:

<https://pomonacollege.zoom.us/j/92354815916>

Green (he/him/his): Mondays and Thursdays 1–2 p.m., Pearsons 207, 607-0906.

Overview

In this course, we bring together scholarship from philosophy, politics and economics to study the philosophical underpinnings and social institutions of contemporary American society and the world in which it operates. Working across disciplinary boundaries, we examine scholarship that seeks to describe the liberties, freedoms and safeguards that promote human flourishing and that looks carefully at the roles played by market economies and political institutions in the construction of contemporary society.

One goal for the course is to prepare PPE majors to write their senior theses in the spring. Concrete work on the thesis is required at regular intervals throughout the term and the final project is a thesis prospectus. Another goal is to synthesize work in the three disciplines of philosophy, politics, and economics. This year, our focus will be on inequality. We will ask what economists, philosophers, and political scientists have to say about inequality and how work in one area is related to that in the others.

Coursework and grading

All students enrolled in this course are expected to do the assigned reading, to attend class regularly, and to participate thoughtfully in class discussions. There will be a writing assignment due roughly every other week. Four of these writing assignments are essays based in the reading for the course or on sources relevant to the thesis project. In particular, the fourth will be about some material for your thesis that you will find, read, and report on. All essays are due electronically, in MSWord or pdf format. The lowest essay grade is disregarded and there is a mild penalty of 0.083 point per day for late work. The written prospectus is due on Wednesday, December 8, before midnight.

Grades will be based primarily on written work with participation in the seminar being taken into account. More specifically, the grading algorithm (1) tosses out the lowest essay grade and averages the remaining three; (2) compares this average with the professors' perceptions of the student's contributions to class discussion, allowing adjustment as indicated by no more than one-third Pomona grade point on a 4-point scale; (3) evaluates the thesis prospectus grade in light of the work on the thesis throughout the semester and adjusts the prospectus grade accordingly by no more than one Pomona grade point; and (4) averages the adjusted aggregate essay grade and the prospectus grade with weights 3:1. In computing the final grade, we round to the nearer grade, with ties being rounded down. For example, 3.5 earns a grade of B+ because it is halfway between a B+ and an A- whereas 3.6 earns a grade of A-.

Materials

The readings, assignments, paper topics, and notes on class sessions will be posted on the Sakai site for this course: <https://sakai.claremont.edu/>.

Outline

This outline constitutes a plan rather than a binding contract. If we get off track, we will let you know at the end of each class period what we will be covering in the next couple of classes. It is your responsibility to keep track of divergences from the schedule presented here.

Tue, Aug. 31 In addition to the standard Reading of the Syllabus, we will do some real work. The question we will ask is: what do you think your thesis might be about? For inspiration, you can look at the titles in “PPE Theses 2007–2021.”

Thu, Sep 2 PPE students will write a thesis in the spring. For today’s reading, we have two examples of successful PPE theses. If you are planning to do a social science project, read the thesis on the estate tax. If you think your thesis will involve philosophy, read the thesis on civility. In either case, ask these questions. What could have been better? (As every author knows, there is always *something*.) Does the thesis successfully integrate at least two of the PPE disciplines? How much do you think the author’s opinions changed during the course of working on it? What features of this thesis would you like to see in your thesis? In what ways would you like your thesis to be different? Also, at the end of *this* term, PPE students will write a prospectus. We have provided several examples of those as well (see “Prospectus Samples”). You should ask similar questions about them: what works well, what could be better, in what ways do you want your prospectus to be similar, and so on. **Reading:** James Psomas, “Death, Taxes, and Prosperity: Why the Estate Tax Belongs in American Society” 2020 or Lillian Weidhaas, “Civil Discourse: A Philosophical Defense and an Application to K-12 Education”; prospectus samples.

Tue, Sep 7 Today’s reading is the fifth chapter of John Locke’s *Two Treatises of Civil Government*. You have probably read Locke in a political philosophy or political theory course where he was probably presented as a libertarian, with a story about how labor is used to acquire property rights that the state cannot invade. We are going to read Locke through the lens of economics. How would an economist analyze the last half of the chapter, about the different kinds of goods and the invention of money? **Reading:** John Locke, *Second Treatise*, ch. 5.

Thu, Sep 9 Just how far can a theory like Locke’s go? Gibbard notes that ownership limits liberty: owners have rights to exclude others from using the things they own. So how does the right to acquire property work? Remember, it has to both enhance the owner’s rights *and* reduce those of everyone else. Gibbard considers two different versions of a right to acquire property and argues that neither supports the acquisition of unlimited property rights. **Reading:** Allan Gibbard, “Natural Property Rights,” *Noûs* 10 (1976): 77–86.

Tue, Sep 14 Locke was involved in American slavery in several ways. What should we make of that? Some scholars, such as Bernasconi and Mann, think we should read his philosophy in the light of what he did. They believe that works like the *Second Treatise* are shot through with racism. Others, such as Uzgalis, think we can divorce the philosophical theory from Locke’s behavior. **Reading:** Robert Bernasconi and Anika Maaza Mann, “The Contradictions of Racism: Locke, Slavery, and the *Two Treatises*,” in *Race and Racism in Modern Philosophy*, ed. Andrew Valls (Ithaca: Cornell University Press, 2005); William Uzgalis, “John Locke, Racism, Slavery, and Indian Lands,” in *The*

Oxford Handbook of Philosophy and Race, ed. Naomi Zack (New York: Oxford University Press, 2017); Locke, *Second Treatise*, ch. 4.

Thu, Sep 16 Today we're reading a part of the hottest book on economics and society of the decade: Thomas Piketty's *Capital in the Twenty-First Century*. Piketty does two things. First, he painstakingly constructs long data series that allow us to follow wealth and inequality across the centuries since Locke's defense of private ownership of the means of production and of inequality in holdings. Second, he worries about the societal implications of concentrations of wealth at the top of the income distribution. In particular, he is concerned that the relatively egalitarian 20th century may become a historical anomaly if we don't do more to constrain the super-wealthy. **Reading:** Thomas Piketty, *Capital in the Twenty-First Century* (Cambridge: Harvard University Press, 2014), Introduction.

***** Essay 1 due electronically by midnight Saturday, September 18 *****

Tue, Sep 21 Piketty's data show that inequality is increasing. But, so far, this has not been due to the return on capital being greater than the growth of the economy ($r > g$). The observed inequality comes from inequalities in how much people are paid for their work. In this chapter, Piketty looks at inherited wealth, projects that inherited wealth will become more important, and claims that this will have undesirable social consequences. We will talk about how Piketty makes these projections and also about his implicit views about what makes a good society and what is necessary for democracy to work. **Reading:** Piketty, *Capital in the Twenty-First Century*, ch. 11.

Thu, Sep 23 Piketty is worried about societies dominated by inherited wealth. Hamilton and Darity are concerned with the sources of financial inequality in a society in which the playing field has been decidedly unlevel. They argue that the gap in wealth across racial groups is a substantial and consequential result of racially exclusionary policies. They call for a direct transfer of wealth through what they call baby bonds. **Reading:** Darrick Hamilton and William A. Darity, "The Political Economy of Education, Financial Literacy, and the Racial Wealth Gap," *Federal Reserve Bank of St. Louis Review* 99 (2017): 59–76.

Tue, Sep 28 Darity has recently coauthored a book that lays out the case for reparations to Black Americans. The title of their book, *From Here to Equality: Reparations for Black Americans in the Twenty-First Century* is an obvious nod to Piketty's *Capital in the Twenty-First Century*. Just as Piketty outlines the historical background to inequality in France, Darity and Mullen devote a large portion of their book to presenting the historical record, well beyond slavery, that undergirds their call to reparations for Black people in America. Because Darity is (like Piketty) an economist, there is also a chapter in which he demonstrates how one might calculate the amount of restitution that is due based on the magnitude of the harms inflicted. We'll use selections from *From Here to Equality* as the jumping-off point for our discussion of reparations. **Reading:** excerpts from Darity and Mullen, *From Here to Equality: Reparations for Black Americans in the Twenty-First Century*.

Thu, Sep 30 Last week we considered research on the extent of wealth inequality and on the links between unequal wealth and opportunities for social mobility. As we look for causal mechanisms that link wealth inequality to life prospects, Currie urges us not to overlook life experiences before we are even born. Does the sort of evidence Currie presents expand the set of social circumstances we might object to if we got to design a social contract? **Reading:** Janet Currie, "Inequality at Birth: Some Causes and Consequences," *American Economic Review* 101 (2011): 1–22.

Tue, Oct 5 Curie, along with Darity and his coauthors, present evidence of consequential ways in which Americans begin life in quite unequal circumstances. Ronald Dworkin presents an interesting variant on familiar themes from the social contract tradition. Instead of imagining a social contract, he thinks it is more relevant to consider a social insurance scheme that protects people from forms of bad societal luck. In the course of doing so, he comes up with a novel rationale for markets. Instead of claiming that markets follow from a proper respect for individual liberty, Dworkin thinks they are needed to realize the value of equality. Today we will talk about the basic elements of Dworkin's theory: the so-called envy test, the idea that an equal distribution of resources could be settled in an auction, and how he proposes to deal with the problem posed by people with severe handicaps. **Reading:** Ronald Dworkin, "What is Equality?" *Philosophy and Public Affairs* 10 (1981): 283–304.

Thurs, Oct 7 We will continue our discussion of Dworkin today (it's a long article). Specifically, we will discuss his underemployment insurance scheme and the comparison he draws between his theory and Rawls's. **Reading:** Ronald Dworkin, "What is Equality?" 304–334. Note: skip section VII.

***** Essay 2 due electronically by midnight Saturday, October 9 *****

Tue, Oct 12 Members of the seminar will present their ideas for their theses and the group will offer helpful suggestions.

Thu, Oct 14 More discussion of thesis ideas.

***** Thesis action plan due electronically by midnight Saturday, October 16 *****

Tue, Oct 19 Fall recess, no class.

Thu, Oct 21 Today's reading is about John Rawls's famous difference principle. This holds that that inequalities should work for the greatest advantage of the worst off class. Rawls begins with libertarianism, which he finds morally deficient because it allows for inequalities stemming from natural and social causes. He then argues that justice requires that society address both these sources of inequality. The result is Rawls's favored principles of justice, which he calls "fair equality of opportunity" and "the difference principle." Rawls uses concepts derived from economics in order to explain what the difference principle means. Professor Brown will explain how resource distributions based on the difference principle differ from those deriving from utilitarianism. **Reading:** John Rawls, *A Theory of Justice* (Cambridge: Harvard University Press, 1999), 52–73.

Tue, Oct 26 Rawls' difference principle requires us to understand who counts as the least advantaged group in society. Philosopher Martha Nussbaum and economist Amartya Sen take a deeper dive into the essential nature of human beings and the deprivations important to an understanding of disadvantage. They abandon the pursuit of equality and instead push for the opportunity for human flourishing, which in their view depends on access to adequate supplies of material and other goods. Is their notion of human flourishing hegemonically Western? Is it politically motivated? Is the emphasis on acceptable minimum levels rather than equality a purely pragmatic move? **Reading:** Martha Nussbaum, *Creating Capabilities* (Cambridge: Harvard University Press, 2011), 17–45.

Thu, Oct 28 Nussbaum argues from the essential nature of human beings to a call for a basic level of access to rights and goods that allow human flourishing. Williams recognizes that certain goods have special importance to human beings and, in contrast to Nussbaum, returns to the notion of

equality and what it might require of the production and distribution of goods such health care and education that are central to human flourishing. He argues that some kinds of inequality are irrational because they fail to reflect the factual equality of human beings. His claim is that the nature of goods like health care and education determines their proper distribution and that the proper distribution could be considerably different from what a free market would produce. What does that mean? Do goods have natures and, if they do, why should we care about them? Robert Nozick criticizes Williams for failing to establish his point and for reaching conclusions that objectionably limit liberty. Nozick asks some good questions about Williams's argument and, by extension, a lot of commonsense thinking about how the economy should work. **Reading:** Bernard Williams, "The Idea of Equality," in *Problems of the Self* (Cambridge: Cambridge University Press, 1973), 230–49 and Robert Nozick, *Anarchy, State, and Utopia* (New York: Basic Books, 1974), 232–39. Note: the Read Me First document on Sakai outlines Williams's complicated argument.

***** Essay 3 due by midnight Saturday, October 30 *****

Tue, Nov 2 So far, we have concerned ourselves with the question of access to good that are important to human flourishing. But what about goods that compromise human flourishing? What about institutions, such as markets, that may compromise human flourishing, either directly or indirectly? Satz's essay is concerned with a so-called repugnant market: the market for human organs. She is also good about distinguishing different arguments from one another and offering a measured assessment of them. Satz's favored argument is that allowing some people the choice of selling their organs changes the choices that others face. **Reading:** Debra Satz, "The Moral Limits of Markets: The Case of Human Kidneys" *Proceedings of the Aristotelian Society* 108 (2008): 269–88.

Thu, Nov 4 Brian Barry describes a humanitarian case for transferring wealth to poor countries, based on Peter Singer's famous analogy between giving aid to relieve famine relief and rescuing a drowning child. He also argues that such transfers are required by justice, assuming that the earth's resources are shared by all people in common. At the end of the essay, he compares the two kinds of arguments. This kind of distinction is interesting in its own right and useful for many theses. One thing to think about is how it might be applied to the case of global warming. **Reading:** Brian Barry, "Humanity and Justice in Global Perspective," *NOMOS XXIV: Ethics, Economics, and the Law* (New York: New York University Press, 1982): 219-252. Note: you may safely skip pages 227-235; pick it up again at "In this essay I want ..." on page 235.

Tue, Nov 9 Given the central place good health and long life hold in various models of well being and justice, how do we think about the production and distribution of vaccines in the midst of a serious pandemic? How do we think about patents? **Reading:** Sanjay G. Reddy and Arnab Acharya, "The Economic Case for a People's Vaccine," *Boston Review* (2020) and Achal Prabhala, Arjun Jayadev and Dean Baker, "Want Vaccines Fast? Suspend Intellectual Property Rights" *New York Times*, (Dec. 7, 2020).

Thu, Nov 11 Most of the philosophers we have read come from the social contract tradition. Peter Singer represents the utilitarian tradition that is the more natural intellectual starting point for economists. Today's readings concern what Singer calls "effective altruism." It is based on the idea that it is better to take more effective steps to help others than less effective ones. This apparently innocuous idea leads to surprising conclusions about politics and personal morality that Singer's critics find objectionable. **Reading:** Peter Singer, et. al. "Forum: The Logic of Effective Altruism." *Boston Review* July 6, 2015 and Dylan Matthews, "You Have 80,000 Hours in Your Career. Here's How to Do the Most Good With Them." *Vox* August 3, 2015.

Tue, Nov 16 The classical notion of utility is excess of pleasure over pain, experienced through time. Kahneman and Krueger describe research on how this theoretical idea translates into happiness

or life satisfaction. What does modern evidence suggest? And does money make us happy? **Reading:** Daniel Kahneman and Alan B. Krueger, "Developments in the Measurement of Subjective Well-Being," *Journal of Economic Perspectives* 20 (2006): 3–24.

Thu, Nov 18 Plumbing day. We will talk about how to put your document together. Topics will include: how to keep notes and drafts, how to format citations properly, and how to format the final document. Bring a laptop.

***** Essay 4 due by midnight Saturday, November 20 *****

Tue, Nov 23 Today is a working day. Bring a laptop to work on your prospectus.

Thu, Nov 25 Thanksgiving break. No class.

Tue, Nov 30 Presentations

Thu, Dec 2 Presentations. Signed reader sheets due in class.

Tue, Dec 7 Presentations