

Economics 33150
Introduction to Economics and Catholic Social Thought
SPRING 2019

Instructor: Joe Kaboski, Nanovic 3039, email: jkaboski@nd.edu

Time and Location: M, W, 2:00 - 3:15 p.m., DeBartolo 242

Office Hours: Tuesday, 1:30-2:30 p.m. or by appointment

Webpage: through Sakai system

Material:

The course will cover the relationship between the principles of economics and the principles of Catholic social doctrine. The first part of the course will introduce key principles in both fields, evaluate the relationship or coherency between these principles, and introduce important empirical facts relevant to the discussion of an ethical economy. The second part of the course will give an overview of the integration and application of economic research and Catholic social principles to key economic and ethical questions surrounding domestic (labor, capital, finance, family) and international issues (economic development, growth, and globalization).

Learning Goals:

1. Students will learn the foundations of Catholic social thought (e.g., principles such as human dignity, solidarity, freedom) as a framework for normatively evaluating the implications of economic and social policy. Students will be able to distinguish these norms from a secular framework, both in their assumptions and their conclusions.
2. Students will be challenged to reflect on the foundations of Catholic social thought, and/or their own moral assumptions, and evaluate extent to which various claims are supported by faith and/or reason.
3. Students will critically and constructively engage source materials from both Catholic and secular sources surrounding economics and Catholic social thought
4. Students will be able to reflect on their own faith (or lack of faith) and/or reason to defend a position on specific issues of faith or normative questions raised by economic and social policy. This ability will be nurtured and evaluated through normative response and exam essay questions relating to:
 - ethical implications of a Catholic view of man vs. a utilitarian view of human behavior
 - the role and limitations of markets in a just society
 - the importance of measurable empirical outcomes for normative analysis of economic policy

- the value of human labor and labor policies
- the role of the family in society
- ethical business behavior
- the roles and consequences of property rights, finance, and wealth inequality
- the impacts of globalization
- an ethical approach to poverty alleviation and development

More generally, all of these three learning goals will be central to class discussion, short responses, extended responses, and exam questions.

Course Organization and Grading:

The course will consist of both lecture and discussions, typically mixed throughout the class. Both are essential parts of the course. The course will be VERY intensive in reading. Readings will include papal writings, recent works on economic questions, and scriptural passages with particular bearing on the course. The discussions will focus on readings for the week.

Your grade will be based on a class participation, a series of short papers, a midterm, and a cumulative final exam, as follows:

Class Participation	25%
Short Papers	30%
Midterm Exam	20%
Final Exam	25%

Class Participation: Class participation is extremely important in a course like this. It will be evaluated along multiple dimensions: The first dimension is class attendance, the second dimension is preparation, and the third is class engagement. You are expected to attend every class and have read the required reading in order to actively participate in discussions. For (almost) every reading (see below), there will be either a 1-page reflection or a 1-page response due. These must be turned in via Sakai **by 9 am** the day of class in which we discuss the reading. ‘Reflections’ are just personal reactions to the reading, while ‘responses’ critically address a particular question. For the readings requiring a ‘response’, a series of five study questions will be posted on Sakai, and you should respond only to the last question. Class engagement is also necessary. There is no quota on comments, but if you have a pattern of not joining in discussions, your participation grade will suffer. Finally, at some point I may ask you to briefly summarize the reading for the class.

Short papers: You will also write three longer (4-page) guided responses to the readings (of your choice) over the course of the quarter. These longer papers will be extensions of your original responses, revised and extended based on comments received, class discussion, etc.. They should be written as formal papers with outside sources, bibliographies, etc. You will be graded on how well you show and apply knowledge from the reading and class, how well you exhibit critical higher level thinking, and how well organized and written your paper is. Your analysis will be expected

to go well beyond what is covered in class. The longer papers are due one week after the graded initial response is returned. **Remember, this is a writing-intensive course. These papers are short, but they should be well researched, well written, and insightful.** In order to pace the semester out, at least one paper needs to be written on the material in weeks 1-7.

Exams: The class will contain one midterm and a final exam. The exams will test your knowledge and understanding of material from both lectures and readings. The first midterm will cover the key concepts in Catholic social thought and economics, as well as the empirical facts. The final will be cumulative, but it will focus on applications of concepts to domestic and global issues, and will rely more heavily on essays. The format will be essentially short answer, definitions/identifications, and short essay. Before each exam, I will provide a review/practice exam that will give you a better sense of the format and content of the actual exam. Students who are absent for a midterm exam will not be given a make-up exam for any reason. Students with a valid excuse (e.g. personal illness, death in the family, service to the university) will have the weight of the midterm placed on the final exam.

Student Conduct: Students are expected to adhere strictly to the **Academic Code of Honor** (<http://www.nd.edu/~hnr/code/docs/handbook.pdf>) in all ways. Please make yourself aware of the Code, especially those rules regarding plagiarism and internet material. All papers will be fed through **turnitin.com**, a plagiarism detection software company. Serious violation of the Code of Conduct will lead to automatic failure and/or removal from the course. Additional class rules include respecting others during lecture by not talking to others, leaving your cell phone on, or disrupting the class in other ways. During discussions, all behavior and comments should be civil and constructive. **I am committed to pursuing all judicial procedures against student who violate these rules, including failure, removal from the course, or expulsion.**

Course Schedule and Reading List:

Week 1:

Topics: Intro (course goals, meaning of life, nature of Catholic social thought)

Week 2:

Topics: Catholic Social Principles I (virtue, justice, love, human person, family, community)

For Monday, Jan 22: Watch movie, choose either: (1) "A Man for All Seasons "; (2) "Entertaining Angels: The Dorothy Day Story ", or (3) "The Drop Box "(1-page response) For Wednesday, Jan 24: Deuteronomy 5; Matthew 5 (1-page reflection)

Week 3:

Topics: Catholic Social Principles II (stewardship, universal destination, option for poor, CSP applications: government, liberation theology, sexual morality)

For Monday, Jan 29: Ephesians 5 (1-page reflection)

For Wednesday, Jan 31: Pope Leo XIII, *Rerum Novarum* (1-page response)

Week 4:

Topics: Economic Concepts I (scarcity, mathematical modeling, utility, supply and demand, rationality)

For Monday, Feb 5: Matthew 6; Luke 12 (1-page reflection)

For Wednesday, Feb 7: Thaler, R. and Sunstein, C. *Nudge: Improving Decisions about Health, Wealth, and Happiness*. New Haven: Yale University Press, 2008 (Chapters 1, 2, 6) (1-page response)

Week 5:

Topic: Economic Concepts II (specialization & comparative advantage, markets and efficiency, informational problems)

For Monday, Feb 12: Pope John Paul II, Selections from *Centesimus Annus* and *Laudato Si'* (1-page reflection).

For Wednesday, Feb 14: Blank, R. and McGurn, W. *Is the Market Moral? A Dialogue on Religion, Economics, and Justice*, Washington, DC: Brookings Institution Press, 2004 (Ch. 2 and 3) (1-page response)

Week 6:

Topics: Introduction to Facts (importance of data, growth, poverty and inequality, history of living standards, characteristics of growing economies)

For Monday, Feb 19: Matthew 25, James 2 (1-page reflection)

For Wednesday, Feb 21: Selections from *Laudato Si'* (1-page reflection)

Week 7:

Topics: Labor (importance of labor, right to work and living wage, unemployment)

For Monday, Feb 26: 2 Thessalonians 3 **and** Selections on “just wages” from *Rerum Novarum*, *Quadragesimo Anno*, and *Laborem Exercens* (1-page reflection)

For Wednesday, Feb 28: Neumark, D. and Wascher, W., *Minimum Wages*, Cambridge, MA: MIT Press, 2008 (Intro, Ch. 3 and 5) (1-page response)

Week 8:

Topics: Demographics, the Family, and Inequality (social importance of the family, sanctity of life, demographic transition, poverty and the family)

For Monday, Mar 5: Genesis 2, Matthew 19 (1-page reflection)

For Wednesday, Mar 7: Heckman, J. "Schools, Skills, and Synapses" (1-page response)

Monday, Mar 5, Midterm Review

Tuesday, Mar 6, 8:00 a.m., **Midterm Exam in class**

Week 9: Spring Break

Week 10: Topics: Firms (Unions, Monopoly, Monopsony, Intellectual Property)

For Monday, March 19:: Selections on inequality, unions from *Rerum Novarum*, *Quadragesimo Anno*, *Populorum Progressio*, and *Caritas in Veritate* (1-page reflection) Wednesday, March 21:

Yuengert, A. "Two Barriers to Moral Agency in Business Education" (1-page response) and Parkin, S. "Gaming Your Brain"

Week 11:

Topics: Capital and Property (inequality, importance of capital, right to property and obligation to common good, taxation)

For Monday, Mar 26: Leviticus 25 (1-page reflection)

For Wednesday, Mar 28: Piketty, T. and Saez, E. "How Progressive is the U.S. Federal Tax System? A Historical and International Perspective" (1-page response)

Week 12:

Monday, Apr 2: Easter Monday

Monday, Apr 4: No Class!!

Week 13:

Topics: Finance (usury, role of finance, financial crisis, microfinance and payday loans)

For Monday, Apr 9: Romans 13, Mark 12 (1-page reflection)

For Wednesday, Apr 11: Rajan, R. and Zingales, L. *Saving Capitalism From the Capitalists*, New York: Crown Business Press, 2003 (Introduction and Chapters 3, 4, and 13) (1-page response)

Week 14:

Topics: Globalization (International integration, growth, just prices, fair trade, immigration)

For Monday, Apr 16: Selections on globalization from *Populorum Progressio*, *Sollicitudo Rei Socialis*, and *Caritas in Veritate*

For Wednesday, Apr 18: Borjas, G. *We Wanted Workers*, Chapters

Week 15: Topics: Integral Development (holistic view of development, measuring development, consumerism, environmental degradation, growth)

For Monday, Apr 23: Selections from *Populorum Progressio*, *Sollicitudo Rei Socialis*, and *Caritas in Veritate* (1-page reflection)

For Wednesday, Apr 25: Banerjee, A. and Duflo, E. *Poor Economics* (Chapter 2-5) (1-page response)

Week 16:

Topics: Extra Topics of Interest

Monday, Apr 30, Open

Wednesday, May 2, Final Review

****Final Exam: Monday, May 7, 4:15 -6:15 p.m. in class room**