

## PPE 101: Ethics and Economics of Wealth Creation



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Online lectures: see Canvas videos + podcast and video links below

**11am-noon EST (Porter):** <https://unc.zoom.us/j/9584285479>

**3-4pm EST (Anomaly):** <https://sasupenn.zoom.us/j/92593126918>

**5-6pm (Patel):** <https://sasupenn.zoom.us/j/93363611565>

Students should attend one of the three Zoom sessions, although it doesn't matter which one: we'll all be covering the same material. Summer session 1 lasts from May 24 – June 30, 2021.

### Course description

This interdisciplinary course provides an overview of how markets work, and under what conditions they create wealth and prosperity. Along the way, we'll think about the role of political institutions in structuring market exchange and allocating resources. The goal of the class is to give students a sense of how some fundamental principles in ethics, economics, and political science fit together (For PPE majors, this class will satisfy the philosophy foundation, or any thematic concentration).

In addition to the usual applications of PPE concepts to debates over drug laws, kidney markets, etc, this summer we'll end by focusing on a question of increasing interest: how should we regulate reproductive technologies that have the power to alter future people? This question has both moral and economic dimensions, since black markets for reproductive technologies are likely to flourish even if we can manage to regulate them in reasonable ways. Amy Gutmann, President of Penn, has [written about this topic](#), the [first gene edited babies were recently born in China](#), and I just published a book on the topic, so it seems like a good time to discuss it.

### Required Books

Buchanan, *Better than Human: The Promise and Perils of Biomedical Enhancement*, Oxford, 2017.

Anomaly, *Creating Future People: The Ethics of Genetic Enhancement*. Routledge, 2020.

Readings and podcasts are hyperlinked on the syllabus and posted on Canvas.

Grades are determined by three short essay exams, each worth 1/3 of your final grade.

First exam due 6/6, second due 6/20, third due 7/2 by midnight EST.

## Reading Schedule

### 1. Property

**What does private property have to do with wealth creation?**

John Locke, *Of Property*

David Hume, *Of Justice and Property*

David Schmidtz, *The Institution of Property*

Planet Money podcast: How Private Property Transformed China ([click here](#) or subscribe on iTunes)

### 2. Markets

**How do markets work, what do they do well, and when do they function poorly? What does it mean for resources to be allocated *efficiently*?**

Market Efficiency: specialization and exchange

PPE Video Series: How Markets Work ([click here – watch all videos](#))

Adam Smith, *Of the Division of Labor*

Friedrich Hayek, *The Use of Knowledge in Society*

Leonard Read, *I, Pencil*

Matt Ridley, [Specialization and Exchange: When Ideas Have Sex](#) (TED talk)

Market Failure: externalities and public goods

Tyler Cowen, *Public Goods*

Jonathan Anomaly, *Public Goods and Government Action*

David Friedman, *Market Failures*

### 3. Government

**Is it useful to think of politics as an institution for non-market exchange? Exchange between whom? Who are the principals and who are the agents? When markets fail to allocate resources efficiently, or justly, can we expect politicians to improve the outcome? Do we have a theory of government failure analogous to the theory of market failure?**

PPE Video Series: What is Public Choice? ([click here – watch all videos](#))

James Buchanan, *Politics without Romance*

Anthony Downs, *An Economic Theory of Democracy*

Michael Huemer, *Why People are Irrational about Politics*

Michael Munger, *Rent Seek and You Will Find*

James Buchanan, *How Can Constitutions Be Designed...?*

Planet Money podcast: Why Taxpayers Pay for Farmer's Insurance ([click here](#))

Brennan and Lomasky, [Is there a Duty to Vote?](#) (focus on final section: 'expressive voting')

#### 4. Applications

**Are there things that shouldn't be for sale, or things we shouldn't sell at a certain price? What are the consequences – moral and otherwise – of intervening in markets when demand is especially strong?**

PPE Video Series: Markets on the Margin ([click here – watch all videos](#))

##### Recreational Drugs

Michael Huemer, *America's Unjust Drug War*

Peter DeMarneffe, *Against the Legalization of Drugs*

##### Price Gouging

Michael Munger, *Can Price Gouging Laws Prohibit Scarcity?*

Jeremy Snyder, *What's the Matter with Price Gouging?*

Matt Zwolinski, *Price Gouging and Distributive Justice*

##### Genetic Enhancement Technology

Michael Sandel, *The Case Against Perfection*

Allen Buchanan, *Better than Human?*

Jonathan Anomaly, *Creating Future People*