

**HSS 108**  
**Contemporary Economic Issues**  
**Fall 2007**

Class time: Tuesday/Thursday 2:00-3:15  
Room 1204 Moore Humanities  
Instructor: Marianne Ley Hayek  
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Office hours: Monday/Wednesday 10:00 am -noon  
and by appointment

**Course Description**

Economic topics are subject to intense political, philosophical and moral debate. How should we care for our poor? Is the current distribution of wealth and income fair? Should we allow our jobs to be outsourced? What is the role of the government in restricting or promoting business objectives? This course examines “the market” in the context of efficiency, fairness and moral justifications. Through a combination of lectures, guest speakers, videos and classroom exercises, students will examine the theoretical basis of capitalism, mixed economies and socialism as a means of organizing and allocating resources.

**Objectives**

At the end of this course, students should be able to:

- Examine the moral foundations of capitalism and other political economic systems.
- Identify the fundamental questions of economics and explain how capitalism, socialism, and mixed economies address these questions.
- Explain the concepts of economic efficiency and the welfare gains that are realized from efficient markets.
- Understand the functions and limits of the market as a means of distributing scarce resources.
- Explain the role of prices as a rationing mechanism.
- Identify, explain, and give examples of market failures.
- Achieve a level of economic “literacy” which can be used to evaluate current economic issues.

**Academic Integrity**

Students must conform to all existing principles found in UNCG’s Academic Integrity Policy and the Student Code of Conduct. The Academic Integrity Policy requires that all work undertaken must be carried out in good faith and with due regard for the integrity of the learning process.

## Grades

The grading scale is as follows:

99-100	A+	88-89	B+	78-79	C+	68-69	D+
92-98	A	82-87	B	72-77	C	62-67	D
90-91	A-	80-81	B-	70-71	C-	60-61	D-
						< 60	F

Your grade will be determined as follows:

Homework (15%). Students will be asked to complete homework questions and problems that are based on the readings and class material. Students are expected to participate in class discussion of the homework on the day the homework is due. As a result, late homework will not be accepted.

Attendance and Participation (5%). Students will be asked to complete writing assignments and/or worksheets during class periods and participate in class discussion. This will allow the student to check his or her understanding of the material and the instructor to gauge attendance and comprehension.

Midterm Exams (40%) There will be two midterm exams. The exams will test your knowledge of the material covered during the first part of the course and will contain questions and problems similar to the issues covered in class and in the homework assignments. There will be no make up exams or alternative schedule without prior approval.

Final Exam (25%). The final exam will contain essay questions and problems similar to the questions and problems that were completed in class. The final exam is closed-book and will be given during the exam period. The final exam is Friday, December 14 at 3:30pm.

Student Presentations (15%). Each student is responsible for selecting one reading or chapter and giving a presentation to the class. Students have the option to present a topic of their choosing as long as it relates to economic issues and morality. All students should contact the instructor to establish a date for the presentation and discuss the topic.

### Required Texts

*Atlas Shrugged* Ayn Rand

*Economics Explained.* Robert Heilbroner and Lester Thurow

*What Price the Moral High Ground?: Ethical Dilemmas in Competitive Environments.*

Robert Frank

**Additional required readings are available on blackboard or will be distributed in class.**

## Course Outline

	Dates	Topic	Readings
1	Aug. 21	Economic systems	<i>Economics Explained</i> Ch. 1-2
2	Aug. 28	The capitalist system	<i>Economics Explained</i> Ch. 12,14
3	Sept. 4	Macroeconomics	<i>Economics Explained</i> Ch. 5-7
4	Sept. 11	Market failure: externalities	<i>Economics Explained</i> Ch. 13 “Earth in the Balance Sheet,” “The Truth About the Environment,” “Economic Man Cleaner Planet”
<b>5</b>	<b>Sept. 18</b>	<b>Exam (September 20)</b>	
6	Sept. 25	Freedom and morality	“The Economic Foundations of Freedom” <i>Atlas Shrugged</i>
7	Oct. 2	Objectivism	<i>Atlas Shrugged</i> Collection of readings from <i>The Virtue of Selfishness</i> by Ayn Rand
8	Oct. 9	Rationality and motives	<i>What Price?</i> Introduction Ch. 1-3, Ch. 7
9	Oct. 18	The role of the firm	<i>What Price?</i> Ch. 4. Milton Friedman “The Social Responsibility of Business is to Increase Its Profits” Collection of readings from <i>The Economist</i>
<b>10</b>	<b>Oct. 23</b>	<b>Exam (Oct. 25)</b>	
11	Oct. 30	Consumerism	Juliet Schor “The New Politics of Consumption” Robert H. Frank “Market Failures” <i>What Price?</i> Chapter 8
12	Nov. 6	A market for human organs?	“The Rationing of Transplantable Organs” “The Global Traffic in Human Organs” “Ethical and Social Consequences of Selling a Kidney” “Human Organs, Scarcities, and Sale: Morality Revisited” “Invaluable Goods”
13	Nov. 13	Poverty	<i>Taking Sides</i>
14	Nov. 20	The distribution of wealth and income	<i>Economics Explained</i> Ch. 16 “For Richer” “Class War”
15	Nov. 27	Globalization: the United States	<i>Economics Explained</i> Ch. 17-18
16	Dec. 4	Globalization: Developing countries	<i>Economics Explained</i> Ch. 18-19 <i>The End of Poverty</i> Introduction, Ch. 1-2 “In Praise of Cheap Labor”