Econ 827
Economic Philosophy
(CRN 10750)
George Mason University
Spring 2019
Friday 1:30-4:15
Location: Buchanan Hall, D180

Liberty, Coordination, and Knowledge

Prof. Daniel Klein
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Office: Mason Hall D161
Office hours: By appointment: Email me to arrange a meeting that suits us both!

Brief Course Description: The course develops a Smithian outlook. The central statement of the outlook is that, by and large, in a choice between two policy reforms, the more-liberty reform is the more desirable. Thus the outlook advances a presumption of liberty. Three broad rubrics cover much of the course discussion:

- Liberty
- Coordination
- Knowledge

Core texts:
- For the first topic, liberty, we will read selections from Adam Smith, Jeremy Bentham, Ronald Coase, Murray Rothbard, Thomas Merrill and Henry Smith, Richard Epstein, and others. We will explore the configuration of ownership and the idea of property as a “bundle of rights.” This part of the course will focus on the meaning of liberty.
- The other parts of the course will focus on classical-liberal (or Smithian) claims for liberty. For the second and third topics, coordination and knowledge, the chief source will be my book Knowledge and Coordination: A Liberal Interpretation (available in paperback). But other readings from Smith, Thomas Schelling, Friedrich Hayek, Michael Polanyi, Israel Kirzner and others will be assigned.

The class format will be lecture and discussion, based on pre-assigned readings.

Composition of Course Grade:
1. **Attendance**: 7% of grade. 

2. **Reading Discussion Leadership**: 4% 

3. **Other (General) Class Participation**: 9% of grade. 

4. **Weekly His Point-My Point Reflection Written Assignments on the Readings:**
   Each assignment should be a minimum of 1, maximum of 2 pages; 24% of grade. 

5. **McCloskey Assignment**: 6% of grade. 

6. **Term paper**: 25% of grade. 

7. **Final Exam**: 25% of grade.
   - **Final exam date**: Friday May 10, 1:30-4:15.

**Required Readings:**
- Adam Smth [you must have the Liberty Fund edition]
  - *The Theory of Moral Sentiments*
  - *The Wealth of Nations*
- Thomas C. Schelling:
  - *Strategy of Conflict 1960*
  - *Micromotives and Macrobbehavior 1978*
- Deirdre McCloskey, *Economical Writing*
- Daniel Klein
- Weekly readings to be distributed as we go.

**Explanation of Term Paper:**
Students will be required to do a major term paper. It should be at least 20 pages, double-spaced, 12-pt font, and normal margins. *Include an abstract of 100-175 words.* That paper is due the day of the final exam.

**Other Responsibilities:**

*The Weekly Writing Assignments* will be on two or three of the readings assigned for that week’s lecture. Thus, you are expected to think critically about the readings. In class, we will devote time to general discussion, and the points you formulated in advance will help to ensure a good discussion.

**Reading Discussion Leadership**: Students will lead discussion on some of the assigned readings. When you lead discussion, you will present the paper in summary form, highlight its main interest for our purposes, and lead open discussion of the reading.

The **Final Exam** will be cumulative for all readings and class material.

**Late Policy**: For each weekday late I will subtract 5 percentage points from the paper score. Example: A paper on time worthy of an 80 will receive a 55 if exactly one week late. This is a heavy penalty so make every effort to get your papers in on time.
Getting Help: Four good ways to get help from me: (1) email me; (2) ask questions during class; (3) talk to me right after class; (4) talk by phone – but I call you (email your ph number to me) – **talking by phone usually works really well**. Email me, and we will go from there. I promise to respond quickly.

**Format Guidelines for Writing Assignments:** Deviation from the following guidelines will result in lower scores on the assignment:

1. Papers must be typed, double-spaced, 12 point font, 1 inch margins.
2. **Don’t right justify.**
3. Pages must be numbered.
4. For your term paper: Include a title page (no numbering), with a title for your paper that states the main point or main issue of your paper. (Don’t call it: “827 Term Paper”). The title page does not count as a page toward the length requirement.
5. At the end of the paper provide a list of referenced works, alphabetical by last name. A page with references does not count as a page toward the length requirement. In the paper use the citation format of the following example: ... *greater availability of heroin led to an increase in usage* (Wilson 1990, 25). The number 25 means page 25.

**Add/Drop dates:** The last day to add the course is January 29, 2019. The last day to drop it without tuition penalty is Feb 5, 2019, with a tuition penalty is February 12.

**Course goals and learning outcomes:** (1) To gain competency in some of the subtle facets of knowledge and the desirable (“coordination”), especially in the practice of discourse as an economist. (2) To get a deeper understanding of the outlooks represented by Smith, Hume, Hayek, Coase, Stigler, Mises, Rothbard, Kirzner, Schelling, McCloskey, Epstein, David Friedman, and others – and to comparatively assess different broad outlooks of the political economist.

**Accommodations for students with disabilities:** If you are a student with a disability and you need academic accommodations, please see me and contact the **Office of Disability Services** at 703.993.2474 or ods.gmu.edu. All academic accommodations must be arranged through that office.

**Other Possible Readings**

I will announce assigned readings well in advance.


Constant, Benjamin. 1819. The Liberty of the Ancients Compared with that of the Moderns. This speech of 1819 appears both in Benjamin Constant’s *Political Writings* (Camb.UP 1988) and in David Boaz *The Libertarian Reader*.


Hayek, F.A. 19937: “Economics and Knowledge”

Hayek 1945: “The Use of Knowledge in Society”


Sect II: Of the Origin of Justice and Property
Sect III: Of the Rules, Which Determine Property
Sect IV: Of the Transference of Property by Consent
Sect V: Of the Obligations of Promises
Sect VI: Some Further Reflexions Concerning Justice and Injustice

These six Sections are pp. 324-355 of the attached pdf. Also, the notes are on pp. 426 to 433.


Polanyi, Michael. “The Span of Central Direction”


Tullock, Gordon. Thinking about Thought.

