

Syllabus  
**ESR3204e Ethics and Economics**  
Prof. Dr. Martin Leroch  
Summer Semester 2024

<b>Level</b>	Bachelor	
<b>Credits</b>	5	
<b>Student Contact Hours</b>	4	
<b>Workload</b>	150, 60 hours within class and 90 hours for self-study	
<b>Prerequisites</b>	Good knowledge of microeconomics and English, basic knowledge of macroeconomics and international economics	
<b>Time</b>	Thursday 9:45 – 13:00	
<b>Room</b>	W1.3.04	
<b>Start Date</b>	March 21, 2024	
<b>Lecturer(s)</b>	<b>Name</b>	Prof. Dr. Martin Leroch
	<b>Office</b>	W4.1.04
	<b>Virtual Office</b>	<a href="#">Internet Office Martin Leroch</a>
	<b>Office Hours</b>	Thursday, 14:00-15:30
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## Summary

The course introduces students to the fundamentals of ethics and its link to economic theory. It roughly falls into two core parts: The first focuses on the philosophical perspective and introduces different ethical theories defining social desiderata. The second takes the perspective of economics and asks how ethics can reasonably complement economic analysis.

Throughout the course, illustrative examples will be presented and discussed in class. Students should be prepared to give brief news presentations on issues relevant to the course. Towards the end of the course, students will apply both the ethical theories and economic reasoning to selected case studies.

On completion of the course, successful participants will have an understanding of the often-implicit ethical foundations of economic theory. They will also be able to consciously weigh economic arguments and arguments of different ethical strata. Ultimately, successful students will be able to adequately apply both ethical and economic arguments to real-world problems.

## Outline of the Course

- Introductory Issues
- Ethics
  - Fundamentals of ethics
  - Rationality, morality, and markets
  - Welfare and consequences
  - Liberty, rights, equality, and justice
  - Capabilities
- Designing Institutions
  - Homo economicus as “model of man”?
  - Moral sentiments and material interests
  - Moral (dis-)engagement
  - Incentives as information
  - A liberal civic culture
- Summary

## Course Intended Learning Outcomes and their Contribution to Program Intended Learning Outcomes / Program Goals

Program Intended Learning Outcomes	Course Intended Learning Outcomes	Assessment Methods
After completion of the program the students will be able...	After completion of the course the students will be able...	Written exam
		100 %
		Individual
<b>1 Expert Knowledge</b>		
1.1 ...to demonstrate their distinguished and sound competencies in General Business Administration.	... understand how both the incentive structures in organizations and their perception shape people's behaviors.	x
1.2 ...to demonstrate their distinguished and sound competencies in Economics.	... conduct their own economic analysis of different cases.	x
<b>2 Digital Skills</b>		
<b>3 Critical Thinking and Analytical Competence</b>		
3.1 ...to implement adequate methods in a competent manner and to apply them to complex problems.	... apply adequate economic models and concepts to identify structural (mis-)incentives and develop expedient solutions.	x
3.2 ...to critically reflect and interpret findings and to develop comprehensive solutions for complex problems.	... analyse structural misincentives not only from an economic perspective, but evaluate them normatively via ethical principles.	x
<b>4 Ethical Awareness</b>		
...to develop sound strategies in the areas of ethics, sustainable development and social responsibility and are able to apply them to typical economic decision-making problems.	... to identify ethically desirable states and behaviours, and how to achieve these via adequate incentive structures.	x
<b>5 Communication and Collaboration Skills</b>		
5.1 ...to express complex issues effectively in writing.	... evaluate a given problem within a short period of time from an economic and an ethical perspective.	x
<b>6 Internationalization</b>		
6.1 ...to understand and explain business challenges in an international context.	... understand how interrelated the global value chain is.	x

## **Teaching and Learning Approach**

The course loosely follows a two-tier structure, combining interactive lectures and highly interactive discussions and theoretical extensions, including case studies. Based on the recommended news presentations and other real-world examples, continuing active class participation throughout the term is expected.

## **Literature and Course Materials**

- Bowles, Samuel (2016), *The Moral Economy: Why good incentives are no substitute for good citizens*, New Haven and London: Yale University Press.
- Hausman, Daniel; McPherson, Michael; Satz, Debra (2019), *Economic Analysis, Moral Philosophy, and Public Policy* (3<sup>rd</sup> edition), New York: Cambridge University Press.

Lecture slides will be made available via moodle.

## **Assessment**

Written Exam

## **Code of Conduct for online Teaching**

[Link to the Code of Conduct for online Teaching](#)