Course Overview
This course will be divided into three main sections covering the aforementioned three questions.

In the first section, we will introduce the course by discussing attempts to define entrepreneurship, primarily from economists. Some of the resulting definitions are complementary, but others are incompatible. We will attempt to evaluate each of them to see which ones accord best with our understanding of real-world entrepreneurial
activity.

In the second section, we will discuss how entrepreneurial activity shapes the commercial era and the possibility of economic growth, along with a consideration of how we might evaluate the impact of entrepreneurial activity on what we understand the “good society” to be. This section will include discussion of both advocates and critics of entrepreneurship.

Once we have established the role of the entrepreneur in economic growth, we will then take a careful look at Adam Smith’s moral framework, developed in *The Theory of Moral Sentiments*, which he thought characterized the new commercial era. We will then consider a recent work in economics that attempts to apply that framework to the possibility of economic flourishing, with a special emphasis on the role that trust plays.

Students should expect a good deal of reading, both from economics and philosophy. Though no familiarity with economics is required, students who have particular interest in economics may find this course especially useful for their studies. Students will be evaluated primarily through tests and essays.

### Learning Outcomes
1. Critical thinking skills
2. Ability to compare and contrast various ethical systems and apply them to real-world scenarios and cases
3. Ability to engage in multi-disciplinary thinking on specific topics

### Required Materials
Readings for this course can be found over multiple platforms. I intend to post some readings to Sakai and offer links for a number of articles. Additionally, students are asked to purchase a few books. In particular, students should purchase the following, either through the campus bookstore or online with their preferred vendor:


Some readings will require you to search the library databases to retrieve the articles. If that is the case, I have listed the bibliographic information for the article. If this is a skill you do not yet have, well, there is no time like the present to develop it!

### Suggested Supplementary Resources
Although you may find the readings for Adam Smith and Jean-Jacques Rousseau online, you may prefer to have a hard copy of these books. In that case, feel free to purchase the following (any editions):

1. Adam Smith, *The Theory of Moral Sentiments*
2. Jean-Jacques Rousseau, *Discourse on the Origin of Inequality*
Course Requirements and Grading Criteria
There are four components to your final grade: two exams, one essay, and attendance. I reserve the right to add additional assignments and to change the syllabus. Ample notice will be given.

Tests:
- You will have one mid-semester exam and one final exam during exam week during the designated exam time. Each exam is worth 35 points. The final is not cumulative. Also note: I do not give make-up exams, unless you have a legitimate, documented excuse. I do like puppies, opera, alternative music, and tapas, however.

Essay:
- You will be assigned one essay in the beginning of the semester. It will be worth 20 points. I do not accept late work without penalty, unless you have a legitimate, documented excuse. Details forthcoming.

Attendance:
- Attendance is crucial to have a well-functioning class and for your learning experience. Your attendance is worth 10 points toward your final grade. I explain the attendance policy in more detail below.

Bonus:
- Though there are currently no plans to offer bonus assignments, I may decide to offer one as the semester progresses. Additionally, students who attend class regularly and participate in class conversations in a respectful, helpful, and educated manner are always candidates for grade bumps at the end of the semester, should I deem them worthy. (This would happen in the case of barely making the higher grade. For example, if your grade worked out to be a B- on the cusp of a B, I could exercise my right to bump your grade to a B if you were a student who put in a great deal of effort throughout the semester. This is a purely discretionary act on my behalf, however: no student may claim s/he is entitled to such a grade bump, and it is not open to debate.)

Grading Breakdown:
Exams (2 @ 35 = 70 points) + Essay (20 points) + Attendance (10 points) = 100 points

Course Grading Scale:
A: 94-100  B-: 80-82  D+: 67-69
A-: 90-93  C+: 77-79  D: 63-66
B+: 87-89  C: 73-76  D-: 60-62
B: 83-86  C-: 70-72  F: 59 or below

Additional Matter:

Attendance
It is essential that you be present for every class. Much of the material you will need for successfully completing your exams and other assignments will come from class
lectures and will not be found just in the readings. Realizing, however, that you may have occasional need to be absent, you are **allowed three absences without penalty**. Only emergencies and serious illnesses will excuse you from that penalty. (I do require documentation for such absences, such as funeral notices, doctor’s notes, jury duty, etc.) Sniffles, upset tummies, headaches, work-related absences, family gatherings, and hangovers are not excusable absences (that’s why I allow you three “freebies”).

Attendance is worth ten points. For each class you miss after the three you are allotted, I will deduct **two points**. If you **miss six classes beyond the three you are allotted** (that is, a total of nine unexcused absences), you **automatically fail the course**. Please note that good attendance is an easy way to earn a substantial number of points toward your final grade—so take advantage! Also note that you are responsible for making up any lost work if you miss class. I will not hunt you down: this is your responsibility.

**Technology in the Classroom**

Lately cellphones, Facebook, Twitter, and other online distractions have become real problems in classrooms. For this reason, should I catch any student playing on his or her phone or laptop during class (texting, Facebook, Twitter, etc.), that student will be asked to leave. I will allow laptops/tablets only for note taking. Also, please remember to turn your phones to silent/vibrate before class begins.

**Lateness**

Class begins at the announced time. Please realize that tardiness disrupts the class and does a disservice to your fellow students. I understand that there are occasional reasons to be late, but perpetual tardiness can result in harsher penalties, such as loss of points on your attendance grade.

**Etiquette**

You are expected to act as responsible adults inside and outside the classroom. This means that your behavior in the classroom will be professional, courteous, and respectful of me and of your colleagues. Additionally, this means you should present yourself appropriately in email correspondence and in in-person meetings.

Also, please make sure to include, in any email correspondence to me, your full name, course number, and course section. Any bad behavior in the classroom will lead to your dismissal from the classroom and you will not receive credit for the day. Additionally, check your Loyola email regularly. I will contact you via email with announcements and information; it’s up to you to make sure you are keeping on top of things!

**Grammar, Style, and Penmanship**

Bad writing can sink your grades and ruin your papers! If I cannot understand the arguments you are attempting to present because I am too distracted by poor grammar, misspelled words, or just bad style, your grades will suffer. Additionally, if I cannot decipher what you are writing because of your penmanship, this also will hurt your grades. Take this as a lesson for your future success: prospective employers will not take kindly to errors in your résumé or cover letters; your actual employers will not suffer mistakes in the work that you do, and your teachers cannot ignore poorly written papers.
What can you do about it? Good writers are not born that way. It takes a lot of practice. There are lots of things that can help you, though. First, consult writing and style guides, like Kate Turabian’s *Manual for Writers of Research Papers, Theses, and Dissertations*. This is a great source for the rules of writing. Also, have your friends or roommates read your papers. A fresh pair of eyes can catch many mistakes that you’ll be prone to skip over when you reread your own papers. Avail yourself of the Writing Center — there are people in this world trained to help you, too! Finally, read your papers out loud before handing them in for your teacher. If you find yourself having to pause because your sentences are very long, but your paper doesn’t have any punctuation indicating a pause, that’s a good sign that your writing needs revision.

**Special Issues**  
Any students with any documented disabilities will be accommodated as required.

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**Academic Integrity**

All members of the Quinlan School shall refrain from academic dishonesty and misconduct in all forms, including plagiarism, cheating, misrepresentation, fabrication, and falsehood...Plagiarism or cheating on the part of the student in individual or group academic work or in examination behavior will result minimally in the instructor assigning the grade of “F” for the assignment or examination. In addition, all instances of academic dishonesty must be reported to the chairperson of the department involved.

For further information about expectations for academic integrity and sanctions for violations, consult the complete Quinlan School of Business Honor Code and Statement of Academic Integrity on the Quinlan website:


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**FINAL NOTE**

I want you all to succeed. And I want you to want to succeed. Throughout the semester I will ask for feedback to help improve the class. Do not be shy about asking for help or clarification, either. You are here to learn; I am here to help you learn. Ultimately, my success as your teacher depends on your growing in knowledge. So do not hesitate to let me know how I can help you become a better student and a better (future) businessperson.
COURSE SCHEDULE:
Please note that this schedule is tentative: though I fully intend to work through this material with you, there may be times when I decide to supplement or subtract from the assigned readings. Make sure you check your Loyola email for updates from me regarding such things! Additionally, there are some days where the reading load will be quite intense. Other days it is light. Finally, many of the readings are easily searchable through the Internet or the library databases. If a link or a PDF does not work, try searching online!

Introduction to Entrepreneurship: Understanding Entrepreneurship

Week 1:
Tues August 26: Introduction of Class
Thurs August 28: Modern-Day Entrepreneurship
   -In-class film (no reading)

Week 2:
Tues September 2: Modern-Day Entrepreneurship, ctd.
   -In-class film (no reading)
Thurs September 4: What drives the entrepreneur?
   -First paper assigned (due in-class, Tuesday, September 9)

Week 3:
Tues September 9: What drives the entrepreneur?, ctd.
   -Class discussion (no reading)
   -First paper due, in class
Thurs September 11: Defining the entrepreneur: Coordinator and Uncertainty-Bearer
   -Jean-Baptiste Say, Treatise on Political Economy, Book II.VII.23-33 (Sakai)
   -Frank Knight, Risk, Uncertainty, and Profit, Part III, Ch. 9 (Sakai)
   -Revised essay due, in class

Week 4:
Tues September 16: Defining the Entrepreneur: Innovator and Arbitrageur
   -Joseph Schumpeter, Capitalism, Socialism and Democracy, Ch. 7 (Sakai)
   -Israel Kirzner, “The Alert and Creative Entrepreneur: A Clarification” (Sakai)
# Debating the Value of Entrepreneurship: The Entrepreneurial Era

**Thurs  September 18:**  
*The Entrepreneurial Era: Outlining the Visions*  
-Nicholas Capaldi and Gordon Lloyd, “The Two Narratives of Political Economy”  
(Sakai)

**Week 5:**  
**Tues  September 23:**  
*The Entrepreneurial Era: Benefits for the Good Society*  
-Edmund Phelps, “Dynamic Capitalism: Entrepreneurship is lucrative—and just.”  
(Sakai)  
-Edmund Phelps, “Economic Justice and the Spirit of Innovation”  
(Sakai)

**Thurs  September 25:**  
*The Entrepreneurial Era: Concerns for the Good Society*  
-George Brenkert, “Entrepreneurship, Ethics, and the Good Society”  
(*Business Ethics Quarterly* 3, 2002: 5-43)

**Week 6:**  
**Tues  September 30:**  
*The Entrepreneurial Era: The Logic of Innovation (in the context of globalization)*  
-Tyler Cowen, *Creative Destruction*, Chs. 1-3

**Thurs  October 2:**  
*The Entrepreneurial Era: The Logic of Innovation (in the context of globalization)*, ctd.  
-Tyler Cowen, *Creative Destruction*, Chs. 4-6

**Week 7:**  
**Tues  October 7:**  
Fall break, no class

**Thurs  October 9:**  
No class (hint: use this day to get ahead on readings, especially from Smith and Rousseau later in the month!)

**Week 8:**  
**Tues  October 14:**  
*The Entrepreneurial Era: Concerns over Innovation*  
-J.K. Galbraith, “The Dependence Effect”  
(Sakai)  
-Barry Schwartz, “Self-Determination: The Tyranny of Freedom”  
(Sakai)  
-Barry Schwartz, “The Tyranny of Choice”  
(Sakai)

**Thurs  October 16:**  
*The Entrepreneurial Era: Response to Concerns*  
(Sakai)  
-Thomas De Gregori, “Resources are Not; They Become: An Institutional Theory”  
-Matt Ridley, “The World’s Resources Aren’t Running Out”  
(Sakai)
Week 9:
Tues October 21: First Exam Review & Catch-Up
Thurs October 23: First Exam

*The Economy, Morality, and Economic Growth: Philosophical and Economic Perspectives*

Week 10:
Tues October 28: *Ethics & Economic Growth: The New Commercial Era*
-Adam Smith, *Wealth of Nations*, Vol. 1, Book 1, Chs. 1-4, 10
Available online at: http://www.econlib.org/library/Smith/smWN.html

Thurs October 30: *Ethics & Economic Growth: Criticisms of the New Commercial Era*
-Jean-Jacques Rousseau, *Discourse on the Origin of Inequality*
Available online at: http://www.constitution.org/jjr/ineq.htm

Week 11:
Tues November 4: *Ethics & Economic Growth: The Moral Framework*

-Adam Smith, *The Theory of Moral Sentiments*, Part II
Available online at link above

Week 12:
-Adam Smith, *The Theory of Moral Sentiments*, Parts III & IV
Available online at link above

-Adam Smith, *The Theory of Moral Sentiments*, Parts V & VI
-Available online at link above

Week 13:
Tues November 18: *Ethics & Economic Growth: The Importance of Trust*

Thurs November 20: *Ethics & Economic Growth: The Importance of Trust, ctd.*
David Rose, *The Moral Foundation of Economic Behavior*, Chs. 4-6

Week 14:
Tues November 25: *Ethics & Economic Growth: The Importance of Trust, ctd.*
David Rose, *The Moral Foundation of Economic Behavior*, Chs. 7-8

Thurs November 27: No class: Happy Thanksgiving
Week 15:

Tues  December 2:  Ethics & Economic Growth: The Importance of Trust, ctd.
David Rose, The Moral Foundation of Economic Behavior, Chs. 9-11

Thurs  December 4:  Exam Review & Evaluations

FINAL EXAM*:  IN-CLASS DURING EXAM WEEK:
Tuesday, December 9, 9-11 am

*Any make-up final exams will require the approval of the Assistant or Associate Dean!
MEMORANDUM OF UNDERSTANDING

MGMT 345: Ethics, Economics & Entrepreneurship

Loyola University Chicago, Quinlan School of Business

By signing this agreement, I hereby acknowledge that I have read, understood, and agreed to the requirements of the syllabus for the course “Ethics, Economics & Entrepreneurship,” Fall 2014, taught by Dr. Gregory Wolcott.

Name
(printed): ____________________________ Section: ______

Signature: ____________________________ Date: ______

This MOU must be signed to participate in the class! After signing, please detach it and hand it to your professor.