

Justice, Tax, and Finance

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Academic Program:

Master of Arts in Political Science (1 year)

Master of Arts in Political Science (2 year)

Stream: Political Theory

Credits: 2.0

Term: Winter

Academic Year: 2017/2018

Syllabus

During this course we examine in depth in some of the topics studied in previous courses of political philosophy. We start discussing the democratic justification for the legitimacy of political authority, and then move to judicial review. Should judges have the authority to strike down legislation that violates individual rights?

In the second part of the course, we will move to the institutionalization of principles of justice. We will examine some alternatives to welfare state capitalism sketched by Rawls, *property-owning democracy* and *liberal socialism*. We will also study in detail one of the most debated institutions since the beginning of the global financial crisis, *independent central banks*. First, we will ask whether it is legitimate for democratic governments to delegate very important decisions to an independent body that is not subject to re-election and not easily removed by the legislature. And secondly, we will also look at the distributive effects of unconventional monetary policy, like *quantitative easing*, and the alternatives that have been recently proposed to QE, such as a *job guarantee program* to avert financial meltdown, and *helicopter drops* to stimulate depressed demand. Finally, we will also look at the European Monetary Union from the perspective of distributive ethics, and Van Parijs's proposal of a *Eurodividend*.

The course will end with various debates about global and intergenerational justice. We shall ask whether egalitarian justice requires redistribution amongst persons as such or only amongst co-citizens that share a duty to obey the same political authority. We shall also examine how a concern with future generations should influence institutional design. Short-termism and time-inconsistency problems of political decision-making shape the policies of democratic governments in a way that does not take into account the interests of future generations.

Aims:

- To trigger an understanding of central topics in contemporary economic ethics.
- To foster the ability to analyse and discuss arguments in political philosophy.
- To develop the ability to link and apply arguments of political philosophy to social, economic and political issues.
- To foster the ability to communicate both orally and in writing arguments in political philosophy.
- To develop the capacity to learn new ideas and approaches, and to apply them in research.

Learning Outcomes:

At the end of the course the student shall be able to:

- Understand the main problems of the different topics in economic justice examined during the course.
- Produce critical and well-structured normative arguments regarding the different issues analysed.
- Balance and contrast the weakness and strengths of different positions in contemporary debates in economic justice.

Assessment

- All students must study the core reading before the lectures and seminars. Beginning with the second session, core readings will be introduced by students via short presentations of 5'-10'. Then we will make a general discussion and students must think beforehand about a comment or question about the article studied. Debate is encouraged! Once the volunteers have finished the audience will then raise further questions and discuss how the author might respond.
- Where volunteers use Power Point to make the presentation they must provide some explanation of a question or reply to the article. They should make their proposal clear by writing the question in bold type. When they quote a statement by an author they should clearly indicate the source of their quotation so that interested listeners can easily check it.
- Mid-term Exam: Instead of a mid-term exam, each student will volunteer to prepare two questions or comments about the article studied in two of the sessions. So, please study the list of seminar readings and write to josep.ferret@upf.edu stating the two readings that you have chosen.
- Having read the Seminar Reading for their week, students will imagine that we have all just heard a seminar presentation of the paper and will attempt to formulate a

question that could be posed for the author by a member of the audience. The question might address whether some of the author's premises are sound or whether her conclusion follows from her premises. It might instead attempt to identify a specific unclarity in the author's remarks and suggest some ways in which it might be resolved; or it might ask what the implications of the author's position are for a specific practical issue, and whether they are plausible.

- To facilitate discussion and encourage clearly formulated questions, the two questions should be sent to me via email by 10.00 on the morning of the day before the class, and we will discuss them during the class.
- Attendance is compulsory. You need at least 80% of attendance to get a grade.
- There will be a final 2,500 words paper. The paper's title must be pre-approved, so consult me once you have an idea what you want to write about. You can use some of the seminar questions to formulate the title or any other related topic you are interested in.

When drafting your essays, here are four questions to ask yourself.

Is my writing clear and concise and my argument well-structured?

Does my essay demonstrate an understanding of the issues and some of the relevant literature raised by the question under consideration?

Does my essay argue a plausible case in response to that question?

Does my essay anticipate and attempt to rebut some of the most likely responses to that case?

These are also the types of question that will be considered when your essays are graded. It is therefore well worth considering those questions as you write, as well as the following more specific suggestions.

(1) Argue a case in response to the essay title. An essay is better to the extent that it defends a particular conclusion in some depth, explicitly setting out a supporting argument. You should avoid writing that merely surveys various positions without attempting to establish a particular conclusion. In addition, you should ensure that the essay answers the specific question under consideration. In some cases, the question will include certain technical terms, and these will need to be defined or discussed.

In supporting your conclusion you may refer to the work of particular theorists. In doing so, it is desirable to expound and assess their views. How convincing are the arguments for or against them? Are there any relevant distinctions that the authors ignore? Are their inferences valid and their premises sound? Essays are often more engaging if you take a stand on the issue yourself and argue for it as convincingly as possible. If this is not possible, because you are undecided on the issue, you should argue why neither side of the case is wholly convincing.

(2) Ensure that your essay is clearly structured. It might, for example, include: an opening section, in which the key terms are defined and, perhaps, the main features of the essay are sign-posted; a middle section, in which the arguments are developed, making the necessary distinctions, responding to possible objections, and criticizing other positions; and, if space permits, a set of conclusions which summarize the key features of the argument and re-address the original question.

(3) Express your ideas as clearly and concisely as possible. Always define any technical terminology you find in the question or yourself employ. Essay-writing requires thought about how best to communicate your ideas. It might be that the way in which you arrive at a view is not the best way to present it. It can be very worthwhile to ask someone to read a first draft of your essay in order to remedy obscurities or gaps in the argument, and take into account their comments.

Further Guidance

For further guidance, I strongly recommend James Pryor's 'Guidelines on Writing a Philosophy Paper'

<http://www.jimpryor.net/teaching/guidelines/writing.html>

and 'The Pink Guide to Philosophy' by Helena de Bres

<https://sites.google.com/a/wellesley.edu/pinkguidetophilosophy/>.

For more general guidance on writing effectively in English, I also strongly recommend Joseph Williams's excellent book, *Toward Clarity and Grace*, available here:

www.unalmed.edu/~poboyca/documentos/Doc.%20Seminaro%20I/style.pdf

Finally, it might also be entertaining as well as instructive to consult Jimmy Lenman's advice on essay-writing, which is available at:

https://www.sheffield.ac.uk/polopoly_fs/1.316711!/file/Crap-Essay.doc

Grades will be awarded as follows.

- Participation 15%, Presentation 15%, Mid-term exam 25%, final paper 45%.

Week 1: Political Equality

Reading:

Ronald Dworkin, "What is Equality? Part IV: Political Equality," *U.S.F.L. Review* (1987-1988).

Bibliography:

David Estlund, "Democratic Theory," *Oxford Handbook for Contemporary Philosophy*, eds. Frank Jackson and Michael Smith (Oxford: Oxford University Press, 2006).

David Estlund, *Democratic Authority: A Philosophical Framework* (Princeton: Princeton University Press, 2008).

Thomas Christiano, *The Rule of the Many: Fundamental Issues in Democratic Theory*, (Boulder: Westview Press, 1996).

Thomas Christiano, *Constitution of Equality: Democratic Authority and its Limits*, (Oxford: Oxford University Press, 2008).

Thomas Christiano "Democracy" in Edward N. Zalta (ed.) *The Stanford Encyclopedia of Philosophy* (Fall 2008 Edition) URL =

<<http://plato.stanford.edu/archives/fall2008/entries/democracy/>>.

Joshua Cohen, "Procedure and Substance in Deliberative Democracy", in *Philosophy and Democracy: An Anthology*, ed. Thomas Christiano (Oxford: Oxford University Press, 2003).

Joseph Raz, "Authority and Justification", *Philosophy & Public Affairs*, Vol. 14, No. 1 (Winter, 1985).

Joseph Raz, "Liberalism, Scepticism, and Democracy", in *Ethics in the Public Domain*, (Oxford: Oxford University Press, 1995).

Week 2: Judicial Review

Thomas Christiano, "The Limits to Democratic Equality" in *The Constitution of Equality*, (Oxford: Oxford University Press, 2008).

Bibliography:

Jeremy Waldron, *Law and Disagreement*, (Oxford: Oxford University Press, 1999).

Jeremy Waldron, "The Core of the Case against Judicial Review", *The Yale Law Journal* 115 (2006).

Ronald Dworkin, "Introduction", in *Freedom's Law: The Moral Reding of the American Constitution*, (Oxford: Oxford University Press, 1996).

Ronald Dworkin, "Constitutionalism and Democracy", *European Journal of Philosophy* (1995).

Week 3: The Legitimacy of Independent Central Banks

Reading:

Jon Elster, "Constitutional Courts and Central Banks: Suicide Prevention or Suicide Pact?" *Eastern European Constitutional Review* No. 66; and Jon Elster (2000).

Bibliography:

Kathleen McNamara "Rational Fictions: Central Bank Independence and the Social Logic of Delegation," *West European Politics*, (January 2002): 47-76.

Katharina Pistor, "A Legal Theory of Finance", *Journal of Comparative Economics* 41 (2) (2013): 315-330.

Peter Dietsch, "Normative Dimensions of Central Banking: How the Guardians of Financial Markets Affect Justice," in Lisa Herzog ed., *Just Financial Markets? Finance in a Just Society*, (Oxford: Oxford University Press, 2016): 231-249.

Christopher Adolph, *Bankers, Bureaucrats and Central Bank Politics: The Myth of Neutrality*, (Cambridge: Cambridge University Press, 2013).

Clément Fontan, François Claveau, and Peter Dietsch, *Do Central Banks Serve the People?* (forthcoming)

Week 4: Monetary Policy and Distributive Justice

Peter Dietsch, "Money Creation, Debt, and Justice" (forthcoming)

Bibliography:

Clément Fontan, François Claveau, and Peter Dietsch, "Central Banking and Inequalities: Taking Off the Blinders", *Politics, Philosophy & Economics* (2016): 1-31.

Pavlina R. Tcherneva, "Money, Power, and Monetary Regimes", *Levy Economics Institute of Bard College working paper No. 861*, (March 2016): 1-25.

Alexander Douglas, *The Philosophy of Debt*, (New York: Routledge, 2016).

Romain Baeriswyl, "The Case for the Separation of Money and Credit" in *Monetary Policy, Financial Crises, and the Macroeconomy* (Springer 2016).

Mark Blyth and Erik Lonergan, "Print less but transfer more: why central banks should give money directly to the people," *Foreign Affairs*, (2014): 93 - 98.

Michael McLeay, Amar Radla, and Ryland Thomas, "Money in the modern economy: an introduction", *Bank of England Quarterly Bulletin* Q1 (2014a): 4-13.

Michael McLeay, Amar Radla, and Ryland Thomas, "Money creation in the modern economy", *Bank of England Quarterly Bulletin* Q1 (2014b): 14-27.

Week 5: The European Monetary Union

Reading:

Philippe Van Parijs, "No Eurozone without Eurodividend", (Unpublished Manuscript, 2016 <https://www.uclouvain.be/8609.html>): 1-21

Bibliography:

Andrea Sangiovanni, "Solidarity in the European Union", *Oxford Journal of Legal Studies*, Vol. 33, No. 2 (2013).

Richard Bellamy and Albert Weale, "Political Legitimacy and European Monetary Union: Contracts, Constitutionalism and the Normative Logic of Two-Level Games" *Journal of European Public Policy*, (2015).

Juri Viehoff, "Maximum Convergence on a Just Minimum: A Pluralist Justification for European Social Policy," *European Journal of Political Theory*, (2016): 1-24.

Philippe Van Parijs, "Epilogue: Justifying Europe," in Philippe Van Parijs and Luuk Van Middelaar (eds), *After the Storm: How to Save Democracy in Europe*, (Brussels: Lannoo, 2015): 247–261.

Glyn Morgan, "European and Global Inequality," in Ayelet Banai, Miriam Ronzoni, and Christian Schemmel C (eds) *Social Justice, Global Dynamics: Theoretical and Empirical Perspectives*, (New York: Routledge, 2011): 153–169.

Week 6: A Property Owning Democracy

Reading:

Martin O'Neill, "Liberty, Equality and Property-Owning Democracy", *Journal of Social Philosophy* Vol. 40 No. 3 (2009).

Bibliography:

Alan Thomas, *Republic of Equals: Predistribution and Property Owning Democracy*, (Oxford: Oxford University Press, 2016).

Martin O'Neill and Thad Williamson ed., *Property Owning Democracy: Rawls and Beyond*, (Chichester: Wiley-Blackwell, 2012).

William Edmundson, *Rawls: Reluctant Socialist*, (Cambridge: Cambridge University Press, 2017).

Week 7: Workplace Democracy

Reading:

Joshua Cohen, "The Economic Basis of Deliberative Democracy", *Social Policy and Philosophy*, (1989).

Bibliography:

Gregory K. Dow, *Governing the Firm: Workers' Control in Theory and Practice*, (Cambridge: Cambridge University Press, 2003).

Jon Elster, "From here to there; or, if cooperative ownership is so desirable, why are there so few cooperatives?" *Social Policy and Philosophy*, (1989).

John Roemer, *A General Theory of Exploitation and Class*, (1983)

Iñigo González-Ricoy, "Firms, States, and Democracy: A Qualified Defense of the Parallel Case Argument," *Law, Ethics, and Politics Journal* (2014).

Week 8: Global Justice

Reading:

Thomas Nagel, "The Problem of Global Justice," *Philosophy & Public Affairs* (2005).

Bibliography:

Joshua Cohen and Charles Sabel, "Extra Rempublica Nulla Justitia?" *Philosophy & Public Affairs* (2006).

A.J. Julius, "Nagel's Atlas," *Philosophy & Public Affairs* (2006).

Simon Caney, "Global Distributive Justice and the State," *Political Studies* (2008).

Laura Valentini, *Justice in a Globalized World: A Normative Framework*, (Oxford: Oxford University Press, 2012).

Thomas Pogge, "Cosmopolitanism and Sovereignty," *Ethics* (1992).

Thomas Pogge, "An Egalitarian Law of Peoples," *Philosophy & Public Affairs* (1994).

Thomas Pogge, *World Poverty and Human Rights*, (Cambridge: Polity Press, 2008).

Week 9: Tax Competition

Reading:

Miriam Ronzoni, "The Global Order: A Case of Background Injustice? A Practice-Dependent Account", *Philosophy & Public Affairs* 37, no. 3, (2009).

Bibliography:

Peter Dietsch, *Catching Capital: The Ethics of International Tax Competition*, (Oxford: Oxford University Press, 2015).

Liam Murphy and Thomas Nagel, *The Myth of Ownership: Taxes and Justice*, (Oxford: Oxford University Press, 2002).

Week 10: Intergenerational Justice

Reading:

Philippe Van Parijs, "The Disfranchisement of the Elderly and other attempts to secure intergenerational justice," *Philosophy & Public Affairs* (1998).

Bibliography:

Meyer, Lukas, "Intergenerational Justice", *The Stanford Encyclopedia of Philosophy* (Summer 2016 Edition), Edward N. Zalta (ed.), URL = <https://plato.stanford.edu/archives/sum2016/entries/justice-intergenerational/>.

Axel Gosseries and Lukas Meyer eds., *Intergenerational Justice*, (Oxford: Oxford University Press, 2009).

Week 11: Institutions for future Generations

Reading:

Ludvig Beckman and Fredrik Ugglå, "The Ombudsman for Future Generations: Legitimate and Effective?" in *Institutions for future Generations*, Iñigo González and Axel Gosseries eds., (Oxford: Oxford University Press, 2016).

Bibliography:

Iñigo González and Axel Gosseries eds., *Institutions for future Generations*, (Oxford: Oxford University Press, 2016).

Iñigo González and Axel Gosseries, "Designing Institutions for Future Generations: An Introduction," in *Institutions for future Generations*, Iñigo González and Axel Gosseries eds (Oxford: Oxford University Press, 2016).

Simon Caney, "Political Institutions for the Future," in *Institutions for future Generations*, Iñigo González and Axel Gosseries eds (Oxford: Oxford University Press, 2016).

Week 12: Intergenerational Justice and Climate Change

Reading:

Simon Caney, "Just Emissions," *Philosophy & Public Affairs* (2012).

Bibliography:

Lukas H. Meyer & Dominic Roser, "Climate justice and historical emissions," *Critical Review of International Social and Political Philosophy*_Vol. 13 , Iss. 1, (2010).

Wrap up