

## **Textbook Review Form**

Title: Ethics, Economy & Entrepreneurship

Authors: Johnson, Lusch, and Schmidt

First Impressions:

*eg. Who is the intended audience? What are the key components?*

I have written an extensive review for the purpose of both reporting to the District officers for a report to the Superintendent and the Board and also to document--to have a detailed record on file.

Detail from the text book is printed below in *ITALICS*. My comments are in standard font.

My first impression was formed as I began to read, noting this was a book that was marred early on by grammatical errors. Then immediately I noted that it lacked any references, any Index, and any footnotes. (Except on lone note, where the name of the author, an important Philosopher of Science, is completely incorrect, and we are given no reference to the book that is in the note....SEE BELOW) I also noted that it was visually dull, and began to see, as a professor of Education Policy Studies, a level of grammatical incompetence that led me to begin distrusting its true authorship, for academics cannot survive in their profession with this level of writing.

The audience is students in a Philosophy class. PPEL 101, that is at the high school level, and is a dual enrollment course. The type of research and information are the three areas in the text title. *Ethics, Economy, Entrepreneurship*. However, the book itself is based on no coherent, nor nearly sufficient analysis of the basics of these fields, especially Ethics, and Entrepreneurship. Now nearing my "last impression," I can conclude the following, especially considering the author's target, an impressionable high school audience. The book is a record of

falsehoods, distorted rhetoric, irrationality, bad grammar, bias, and/or unsubstantiated claims the likes of which I have never seen. I have reviewed many books during my career, some for K-12 classroom use. Nothing approaches the level of carelessness this one does.

I recommend that it be rejected, without qualification, as material for use in classrooms in TUSD--or anywhere for that matter. I believe that adopting this text, following this review process, would result in serious damage to the reputation of the district.

Additional Comments:

*Particular strengths or weaknesses. Make note of any particularly interesting ideas or aspects, with page references.*

I find nothing significant to commend about this book. Again, its flaws are so extensive that it should be immediately disqualified for use. Students and parents expect that their teachers and the community that support them, for the high-quality books needed to develop this social responsibility, and intelligence needed to exercise it. The heart of any textbook, or any book in social or any other science is first—truth. “Intelligence” can only follow that when there is fundamental commonsense and scientific social agreement on facts. Then when the truth may be still open to question, substantiation is required.

I will begin with a section, again below in *italics*, that is squarely representative, managing in one short paragraph to demonstrate many of sorts of flaws I see throughout:

*In economic theory it is popular to talk about the rational actor. However, the central issue becomes how the human actor can efficiently rationalize, given limited cognitive abilities. The answer is through institutions that are diffused and shared. These institutions represent more efficient and arguably more effective ways to reduce thinking. As mathematician and philosopher, Alfred North Whitefield (1911, p.61) commented:*

One would expect specialists in Philosophy and a text for a course in that subject, to correctly spell the name of one of their field's most important philosophers, and one that they are citing. His name was not Alfred North Whitefield. It is Whitehead. And this reference date and page (1911, p.61) lead nowhere. There is no related reference. It is a blunder that characterizes the carelessness and weakness of this textbook.

And the other language: In rational action theory it is “*popular to talk about...?*” And, “*given limited cognitive abilities...?*” I can't imagine why this amateurish language is used. In this theory, rational action is indeed limited by incomplete knowledge, but describing this as “limited cognitive ability,” might be an error a high school student would be corrected on. These authors are teaching them.

The type of research and information are the three areas in the text title. Ethics, Economy, Entrepreneurship. However, the book itself is based on no coherent, nor nearly sufficient analysis of the basics of these fields, especially Ethics, and Entrepreneurship. The following is a record of carelessness, falsehood, irrationality, bad grammar, and/or unsubstantiated claims which the authors are presenting to our students.

First, the term “rationalize” is completely misused, and institutions, which are not identified meaningfully, are characterized as “ways to reduce thinking.” The awkward grammar is self-evident. E.g. Economic theories don’t “talk.” “The answer is through institutions...”?? Then the philosopher Alfred North *Whitehead* is called “Whitefield” and a reference date and page number are given, but there is no footnote nor reference given. Then the Whitehead quote is taken out of its context, and thus misused.

The following is a paginated catalogue.

P. 2

*Humans became wise 40,000 years ago. That is when we learned to make deals with strangers.*

Fact: “When we learned this” is simply, in fact, unknown.

*Our superpower is our ability to make deals.*

In fact: That is simply not our most super, power. This is also just rhetoric, and borders on sounding insincere, flip, almost as if it is a joke. It is the beginning of a persistent, unsettling sense that if this were written by academics, they were in a room laughing as they wrote it, wondering if they could get away with this joke, and how funny it would be if they did. I will continue: with their claims in *italics*:

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*Large mammals are hermits. If we were we would live and die like them.*

In fact: No species of large mammal is hermetic. A few go through periods of individual isolation. But as a rule: Not one.

*The capacity and the need for gossip evolved together and together they created the possibility of developing a reputation.*

In fact: What can be said here? This is just nonsense.

In their first opportunity to substantiate their claims, comes with a comment on the political philosopher John Rawls, an essential figure in the field they claim to be working in. He is simply caricatured, then abandoned, with no student guidance about his work or what they might explore about it.

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p. 3

*We can get what we want in ways that make others better off. For example, we can trade.*

In fact, trade by itself is not “existentially” moral, making others **better off** by definition.

*People get rich when they make people better off, like the light bulb invention, not when they make people worse off.*

We may simply consider the trade involving child prostitution, heroin, tainted baby formula, to name a few? What about the slave trade which flourished when the authors’ hero, Adam Smith wrote, or the phenomena of market cornering, when desperate people are forced to overpay for essentials? Or commodities hoarding? Or price gouging during disasters, like the exploitative trade in drinking water during Hurricane Katrina, which the authors distort later. Or the trade in 400 to 600 percent payday loans?

*If society were a zero-sum game, though we would be born in caves resulting in a balanced diet of seeds and stone that ruined our teeth before the age of thirty. Without teeth, we would starve shortly afterwards, as our ancestors did when human society was in its infancy.*

None of this is true. We simply have no evidence that starvation from tooth loss is the major or even minor cause of early mortality for these populations. Disease, exposure, and general hardship, including warfare and natural starvation are much better documented.

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*Suppose you find market society repulsive, and you are seeking the most devastating critique of markets you can find. Where would you go? The places for top-quality criticism are London, New York, or Boston – Pyongyang, Havana, or even Moscow.”*

Setting up these four “straw men” as examples, it’s the start of a text-long pattern where this logical fallacy is used to mislead students into agreement. First straw man—choosing someone who finds market society (whatever that is) “repulsive” and then the places to find this person, who is a writer---again three straw men: *Pyongyang, Havana, or even Moscow.*

We could list fifty cities, easily where there is better or at least equally trenchant criticism of capitalism. Is this point of view opposed to a society that is “non-commercial?” Uses no money, has no businesses? That barter? What could this possibly mean? There is not one place where “commercial society” the stalking horse for the entire book, is defined.

*Critics, needless to say, come from the right as well as from the left. Conservatives, fundamentalists, and evangelicals today, who lament the moral decay of commercial society, never dream of leaving it, because there was a good reason why their ancestors risked their lives in order to migrate to commercial societies. Only in a commercial society were they secure in the right to choose their faith. In other words, alter-natives to materialistic lifestyles tend to be secure in commercial societies and less so elsewhere, since commercial societies tend also to be tolerant societies.*

First, factual history tells us these people fled “commercial societies” that sought and found financial advantages by exploiting religious hatreds to solidify restrictions on commercial activity by religious “others.” They again begin a textbook-long effort to firmly establish that justice is simply equivalent to commerce. Simply that. There is not one counter example where commerce does not achieve justice. And commercial society achieves its existential perfection again, and here is the second of what I found were dozens of examples, using one of the oldest logical fallacies known, and one that any responsible philosopher or ethicist would zealously guard against—the “straw man” fallacy. As follows: It goes like this: the perfection of tolerance is to be found in London, or New York, or Boston, not the straw man—example--Pyongyang. “See? that proves our point!”

Note: it is not incidental that they begin a pattern of Anglo centrism. These English speaking, examples are the highest standard? Why not Rome, Berlin, Paris, Budapest, Istanbul, Delhi, etc. But that would be also to flatter the author with insight on diversity that is lacking throughout the book. It is also the beginning of a persistent Anglo-centric worldview, to define scientific progress as a creation of English and to a very much smaller extent still, European, brilliance.

*“Tolerant societies.”* ?? What does the author mean? No definition is given, ...another caricature. Where do we start our list of examples where “commercial” societies have been deeply lacking in the standard dictionary definition: The Ability or willingness to tolerate something, in particular the existence of opinions or behavior that one does not necessarily agree with. E.g.:

1. The Jim Crow south 2. Nazi Germany --- the persistence of racism, xenophobia, violence against women etc. in commercial society after commercial society.

*Best places for high quality criticism are London, New York, or Boston -not Havana, Pyongyang or even Moscow. “Only in commercial societies were critics like Marx and Rousseau free to speak their minds.”*

Neither were free to speak their minds in “commercial society.” Rousseau spent a lifetime avoiding death threats, censorship, and the authorities who were direct representatives of the commercial powers of his time. Both saw their books destroyed, burned, and followers, also. Marx and those who agreed with him saw a century of blacklists, imprisonment, torture, and murder in dozens of “commercial societies” for speaking their minds. And note---there is no academic debate on this---allowing that the authors represent a minority view. What they have written has no academic support. And like in every other assertion in this book, none is given. None.

*Somehow, we have accomplished what Francis Bacon and his secretary, Thomas Hobbes, said we needed to accomplish in order for vanity from turning the world into a war of all against all. Western powers figured out how to turn people away from war and toward trucking and bartering. The West turned other people's talents into a boon rather than a threat.*

This is not just absurd, but dangerous for students to read such an astounding, unsubstantiated statement. How can educated persons have written such absolute drivel? --- Other people’s talents were turned into a boon and not a threat? The “West” did this? No “talents” were turned toward war, crime, bigotry, indeed, Holocaust?

*In a nutshell, society's most liberating achievement lies in how, under favor-able circumstances, it turns human energy and ingenuity away from war (away from zero-sum and negative-sum games in general) and toward peaceful, voluntary, mutually advantageous cooperation. To be sure, the peace of which Bacon dreamt still eludes much of the developing world. However, western powers are no longer embroiled in century-long wars with each other. Bacon's vision of what science could achieve turned out to be right.*



In fact, it did not: This is a distortion of history and its uses. Note the subject change: it is “*trucking and bartering*” which is the most liberating achievement, a choice that does not include war. Trucking and bartering are also the lifeblood of war economies and terrorist networks. They say we moved to peaceful, voluntary, mutually advantageous cooperation, and then say the truth—peace has eluded both Bacon’s dreams, and the world. We are not embroiled in “century long” war? Our own country, along with its allies has been at war constantly since the end of WWII. And as regards “world war” in the manner of the 20<sup>th</sup> century, we are still early in this century.

Indeed, “commercial society” did not prevent the wars of the twentieth century, there is no evidence whatsoever given that some triumphal moment or change to a commercial society will prevent war. Indeed, many historians point to the wild gyrations of the unregulated capitalist business cycle as sources for the privations that led to the conflict-driven world wars. (I have to take a breath here: This is all so absurd, I almost can’t believe I am reading it in a textbook.)

*The work of a scientist Marie Curie one paradigm of Francis Bacon's noblest ambition for humanity.*

In fact, Curie was not a paradigm. She did not favor such grammatical error either, I would think. She might be a *paragon*, but “paradigm” as a “paradigm shift” is reserved for large changes in scientific perception. This is one of many examples of actual functional illiteracy that appear too often this early, and continue, in a book supposedly written by academics.

*Indeed, Smith followed in Bacon's footsteps, insofar as both, like Hobbes, pondered the prospects for channeling natural human propensities in the direction of mutual advantage rather than mutual destruction, Thus Smith studied how natural propensities (to truck and barter, and to be more or less insatiably acquisitive) could be channeled toward\_ pursuits that would make the rest of humanity better off rather than worse off. An exemplar of Bacon's noblest*

*ambition would be technological innovation. For the 1700s, consider Smith's fellow Scots, the steam engine pioneers James Watt and Matthew Boulton, For the 1800s, consider the American steamship operator Cornelius Vanderbilt and the steam-powered locomotives of the Canadian railroad builder James J. Hill.*

The quaint anachronism, to “truck and barter,” is never defined or explained as to why they would use it.

*Neanderthals lived 500,000 years ago, and were “static,” Neanderthal cultural cross fertilization did not occur. In contrast modern humans engaged in trade “almost from the start.” P. 24*

This is simply false. Paleo-anthropologists agree they lived from 240,000 to 26,000 years ago. In fact, it did not. Trade was present from the start? What start? When they began to trade, which is when they became modern? The vicious circular reasoning is obvious? And IF it was present from a start trade did not begin with their flawed date of 40,000 years ago, but 200,000 to 300,000 years ago, give or take, depending on the source, but **never near** 40,000.

*According to Jane Jacobs, cities must have come before agriculture.*

In fact, they did not. Her speculation on this did have an unwarranted academic shelf life but was eventually completely debunked. It was simply and totally, false. She was a good urban journalist, but not a social scientist. See Smith, et. al.: “People who ought to know better have been willing to accept interpretations about archaeology without consulting archaeologists or works, but solely on the authority of Jane Jacobs, who had no archaeological training or knowledge. If such an urban icon said cities preceded agriculture, then it must be so. Well, I'm afraid Jane Jacobs was just plain wrong about this one fact.”

[Smith, Michael E., Jason Ur, and Gary M. Feinman](#)  
[2014 Jane Jacobs's 'Cities-First' Model and Archaeological Reality.](#)

[International Journal of Urban and Regional Research 38 \(4\): 1525-1535.](#)

These pages are not exceptional. They are exemplary, and characteristic of the quality of the lack of substantiation, mere speculation, and carelessness with the academic truth in this textbook.

	Y E S	N O	Comments
Does the text support the objectives of the course?*		X *	<b>The following is an analysis of the content of EEE with reference to its chapter beginning objectives.</b>  We have been asked to judge whether the text meets the course objectives. There are no course

<p><b>*NOTE:</b> This is using the OBJECTIVES in the text.</p>		<p>objectives, for there was no course proposal, just a syllabus that simply provides a table of contents for the book we are looking at. Again, we were only provided the text and the most skeletal “syllabus” which does not deserve the name. There are no objectives beyond the few that are given in the text.</p> <p>NOTE: It is important to realize that the quality of the objectives themselves must be evaluated. They are deeply flawed in themselves, badly written, illogical and mismatched to the content they seek to clarify.</p> <p>However, I have taken the time to assume that it may be argued that the Objectives in the Book are those objectives for the course, and that we should be assessing whether they are met. That is part of the language of our contract letter. For that reason, I have done this analysis. I continued for twelve pages, through part 2 of the book, to a point where it is conclusive. This book does not even provide content which would begin to answer the objectives it provides at the beginning of each chapter.</p> <p>-----</p> <p>-----</p> <p>Ch. 1 <b><i>LEARNING OBJECTIVES:</i></b></p> <p><i>Describe trade as a form of cooperation among groups</i></p> <p>This is what is termed a “convergent” objective. These are inappropriate for learning. It asks for nothing but a repeat of the objective itself. It is</p>
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		<p>only asking that students answer without thought, consideration of content or argument. They promote no critical judgment.</p> <p><i>Learn why trade is not a zero-sum game</i></p> <p>The literature on trade is replete with the important counter-example that in some instances, such as stock and futures trading and informal and casino gambling, that are zero-sum trading examples. So, an objective used to mislead students about the field they study is by definition, bad. . .</p> <ul style="list-style-type: none"> <li>• <i>Identify the benefits of trade</i></li> </ul> <p>In this section, which is just a few pages long, there is not enough substance to begin that process.</p> <hr/> <p><b><i>Introduction</i></b></p> <p><i>Learning Objectives</i></p> <p><i>Describe how the study of Ethics relates to Economics</i></p> <p>No. Just offers a rambling set of opinions on “INTEGRITY,” without even giving the standard definition, nor how Integrity—being true to yourself, and honest—could also describe a criminal bond where true to yourself can be honesty about your intention to steal.... Offers no resource to answer the question.</p> <p><i>Describe what an ethical life looks like</i></p>
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		<p>No. Students are given no way to answer this meaningfully even at an introductory level.</p> <p><i>Learn how integrity relates to honesty, and how honesty relates to both ethical and entrepreneurial success.</i></p> <p>No. Cavalier claims fill this book, like “<i>Every business decision is an ethical decision,</i>” which is nonsense, and is followed by a section where, if there is a connection between integrity and honesty, honesty is not mentioned once.</p> <p><i>Decide what it means to succeed in life</i></p> <p>NO. And this is a truly bad objective for an introduction. What it “means to succeed” is not discussed.</p> <p><i>Given a real-world scenario, describe an ethical outcome.</i></p> <p>This is a meaningless objective. It might be a test question but is no “objective.”</p> <p>NOTE 1: The Milgram experiment has been widely criticized in the past 10 years. Using it here a. validates it and shows the authors are out of touch with the research. B. The psychological condition of compliance with induced suffering is never connected to either ethics nor economics.</p> <p>NOTE 2: There are <b>29 rhetorical questions</b> in the narrative, in FIVE pages of text. The first 100</p>
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		<p>pages alone contain over 150 questions, many of them rhetorical, most are leading and the narrative is insufficient to answer them.</p> <p>NOTE 3: The <u>Questions for Discussion</u> at the end are rhetorical and incidentally, bizarre. They ask only for opinions with no connection to the objectives nor the narrative, only to the outlines of a basketball point shaving scandal. The questions are here with particularly bizarre and disconnected ones underlined in <b>bold</b>.</p> <p><i>Discussion</i></p> <p><i>What was the problem in the case study?</i> <i>What should Smith have done?</i> <i>What can you do to protect against something like this happening to you? <u><b>If you get caught, do you have a plan for how you are going to beg for mercy? What makes you imagine there will be any mercy? What do you plan on doing to deserve mercy? Do you plan to "not get caught"? If so, who devised the plan? Is your plan the plan of an inexperienced teenager? Is your plan the plan of some boss to whom you are nothing but a tool? Will the plan be good enough to fool prosecutors who have been spotting fools and putting them in jail since before you were born?</b></u> Take a moment now to think about it."</i></p> <p>-----</p> <p>-----</p> <p><i>Why Economy?</i></p>
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		<p><i>Objectives:</i></p> <ul style="list-style-type: none"> <li>• <i>Learn that an economy is a framework for cooperation, or in other words, trade</i></li> <li>• <i>Learn that trade can be, and normally is, "win-win": It is an activity that creates value</i></li> <li>• <i>Explain why people work together</i></li> <li>• <i>Describe how contract law and cooperation relate to the economy</i></li> <li>• <i>Learn ways in which specialization and division of labor can foster trade, cooperation, and progress</i></li> </ul> <p>These objectives imply there will be a reasonably thorough introductory discussion. They are followed by <u>one and one-half pages of text</u>. There is NO way to describe how “contract law and cooperation relate to the economy” because there is no mention of any contract laws nor any definition of same. There are no “way in which specialization.....etc.” None are described.</p> <hr/> <p><i>Why Entrepreneurship</i>  <b>LEARNING OBJECTIVES:</b></p> <p><b>The basic term <u>entrepreneurship</u> is not ever defined. The following objective is never addressed at all.</b></p> <ul style="list-style-type: none"> <li>• <i>Learn that entrepreneurship is a key aspect of economic activity and a key driver of economic progress. Entrepreneurs take risks and sometimes those risks pay off and result in new ideas that lead to marketable new services.</i></li> </ul>
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		<p>This is not covered. Only general descriptions of “your life” as an entrepreneur.</p> <p><i>Compare and contrast the roles of a wage earner and an entrepreneur.</i></p> <p>Mischaracterizes the “role” of wage earner, as a “safe” option. No discussion of the uncertainty of the wage earner’s life. No discussion of the salaried employee, nor that of the myriad of ways “wage earners” also start business activity while holding jobs.</p> <p><i>List the skills needed to be a successful entrepreneur.</i></p> <p>A few skills are discussed.</p> <hr/> <p><b><i>PART ONE: KEY CONCEPTS</i></b></p> <p>This section is an illogical blur of mixed terms. It is devoid of simple conceptual organization. Key concepts of what? One of the key concepts of something is TRADE. Then come RESOURCES, COST, INSTITUTIONS, AND VALUE. (Value is subdivided: Objective Value, Market Value, What is Money? Marginal Value.) How does, “What is money” relate to a list of kinds of value? Authors say, “<i>Money is a form of cooperation. It helps people make themselves useful.</i>” This is one of the dozens of complete throwaway sentences, which if</p>
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		<p>they are trying to be cute, are careless, misleading, wrong or some combination of all those.</p> <hr/> <p><b><i>Chapters.</i></b></p> <p><b><i>1. Trade</i></b></p> <p><b><i>LEARNING OBJECTIVES:</i></b></p> <ul style="list-style-type: none"> <li>• <i>Describe trade as a form of cooperation among groups</i></li> <li>• <i>Learn why trade is not a zero-sum game.</i></li> <li>• <i>Identify the benefits of trade</i></li> </ul> <p><b><i>Money, Tools and Trade</i></b></p> <p><i>Cooperation and trade are almost the same thing. One name comes from ethics and the other name comes from economics, but they are closely related.</i></p> <p>Comment: NO, the objectives are not met in the narrative. And they lead to dubious content as well. There are millions of examples of cooperation which do not involve trade. They are not “almost the same thing.” One name comes from ethics....? This is untrue. These terms are first, not “names.” Cooperation is a general term which has no origination in the field of ethics, and it also is comfortable in the discourse of Economics. Both claims are simply false.</p> <p><b><i>2.</i></b></p> <p><b><i>RESOURCES:</i></b></p> <p><b><i>LEARNING OBJECTIVES:</i></b></p>
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		<ul style="list-style-type: none"> <li>• <i>Distinguish between resources and non-resources</i></li> <li>• <i>Define resource</i></li> <li>• <i>List and define the types of resources</i></li> <li>• <i>Describe how humans create new resources</i></li> </ul> <p>Some discussion of these distinctions follows, allowing some ability to list answers to these questions.</p> <p>3.  <b><i>COST:</i></b>  <i>Choice is unavoidable.</i></p> <p><b>Note the grammatical errors in this chapter's Overview, in <u>BOLD</u> below:</b>  <i>Scarcity is the condition that exists when human wants exceed utilized resources. If we imagine how much of a resource we would use if supply were unlimited, and if we don't actually have that much available, then we are in a condition of scarcity.</i>  <b><u><i>Opportunity cost is the value of the best, forgone potential use that time or money or anything else: all the other ways in which time or talent or other stuff could have been put to use.</i></u></b>  <i>Transaction cost is often hidden, yet often critically important.</i></p> <p><b><i>LEARNING OBJECTIVES:</i></b>  <b><i>Scarcity</i></b>  <ul style="list-style-type: none"> <li>• <i>Know the definition of scarcity</i></li> </ul> <i>Understand the relative nature of the condition of scarcity</i></p>
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		<ul style="list-style-type: none"> <li>• <i>Understand that scarcity is part of the human condition. There are very few instances of non-scarcity</i></li> <li>• <i>Understand the presence of scarcity leads to the inevitable consequence of having to make choices in our lives</i></li> </ul> <p><b>Opportunity Cost</b></p> <ul style="list-style-type: none"> <li>• <i>Understand that change is inevitable and responding to change is a form of choice</i></li> <li>• <i>Know the definition of opportunity costs</i></li> <li>• <i>Understand that an appraisal of an action or decision (choice) is incomplete without its opportunity costs</i></li> <li>• <i>Identify the opportunity cost of specific choices</i></li> </ul> <p><b>Transaction Costs</b></p> <ul style="list-style-type: none"> <li>• <i>Know the definition of transaction costs</i></li> </ul> <hr/> <ul style="list-style-type: none"> <li>• <i>Understand the role of transaction costs in decision making</i></li> </ul> <hr/> <p>NO. Students are given a false definition of scarcity. The illogic infects the entire discussion. For a standard definition:  <a href="http://www.businessdictionary.com/definition/scarcity.html">http://www.businessdictionary.com/definition/scarcity.html</a></p> <hr/> <p><b>4. INSTITUTIONS:</b>  <i>We develop frameworks for interacting that help us to trust each other and make deals.</i></p> <p><b>1. OVERVIEW:</b>  <i>Norms laws, and customs evolve to allow humans to coordinate activity. Institutions are relatively long-lived social mechanisms for establishing mutual expectations.</i></p> <p><b>LEARNING OBJECTIVES:</b></p>
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		<ul style="list-style-type: none"> <li>• <i>Define institution</i></li> <li>• <i>Explain how institutions economize on thinking and coordinate social action</i></li> <li>• <i>Describe how institutions facilitate trade</i></li> <li>• <i>Give examples of social institutions that facilitate trade (exchange)</i></li> </ul> <p>NO. Students are given no definition. The discussion of “institutions” is inept, vague, confusing and finally, empty. They are treated to a series of “examples” which are supposed to guide them. So, students are asked to “<i>Define institution.</i>” Then comes this sentence: “<i>We don't want to focus too much on definitions here, so please don't worry too much about how we are using the word.</i>”</p> <p><b>5. VALUE:</b>  <i>Our values are what we aim at, and judge to be worth aiming at, when we make choices.</i></p> <p><i>Ethics, Economics, and Entrepreneurship are all about the study of value.</i>  <i>Economics studies what people aim at, and what ways of pursuing aims are more successful than others, or which systems of social organization are more conducive to people getting what they want and need. Entrepreneurs are alert to new opportunities, but what is an opportunity?</i>  <i>An opportunity is a chance to act in a way that has value. So, a successful entrepreneur has to be a student of value, in a way. An entrepreneur is alert to novel ways to be of service. An entrepreneur pays attention to what people value, and why, and</i></p>
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		<p><i>speculates about new ways, better ways, cheaper ways, and sometimes previously unimagined ways, of providing a service that people will value. Ethics studies what is worth aiming for. People recoil from the very idea that there is any reason to value one thing over another. That indicates how hard ethics is as a field of study.</i></p> <p><b><i>LEARNING OBJECTIVES:</i></b></p> <ul style="list-style-type: none"> <li><i>• Define objective value and provide an example</i></li> <li><i>• Compare and contrast market and intrinsic value</i></li> </ul> <p><i>Explain the relationship between an IOU and currency</i></p> <p><i>Describe how money is used as a medium of exchange and a store of value.</i></p> <ul style="list-style-type: none"> <li><i>• Explain how the use of money lowers transaction costs</i></li> </ul> <p><i>Define marginal, marginal value, marginal cost, diminishing returns.</i></p> <ul style="list-style-type: none"> <li><i>• Provide an example of thinking at the margin for both a producer and a consumer.</i></li> </ul> <p>The following exercise is included: There is no guidance for this “for illustration’s sake” This is a meaningless misuse of the “for sake” expression, and it is only for the sake of confusion that this exercise is written.</p> <hr/> <p><b><i>EXERCISE 3</i></b></p> <p><i>Draw another graph. Let the vertical axis be value per unit consumed. Let the horizontal axis be total value of units consumed. For illustration's sake, 1. Let the value of consuming the first unit be equal to three. Plot.</i></p>
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		<p>2. Now suppose that the value diminishes at the margin. Let the value of consuming the second unit equal two. Plot.</p> <p>3. Let the value of consuming the third unit equal one. Plot.</p> <p>4. Let the value of consuming the fourth unit equal zero. In other words, you are at a point of indifference. You have hit the horizontal axis, where even if the unit were given to you for free, you would be just as happy to decline it. Consuming it has no value for you.</p> <p>5. Now put the two graphs together. Your first graph drew a horizontal line depicting cost. Your second graph drew a line that declines from left to right. This declining line depicts value, or benefit. Each point on that line depicts the value at that margin. A declining slope depicts marginal value as declining.</p> <p>6. Notice also: even the third unit is, in a more general way, a point of indifference. At that point, the two lines, depicting cost and benefit, intersect. That crossing represents the fact that even though the value of the good is one, and is therefore positive, you can still be indifferent about paying for it, even though you would get real value from consuming it for free.</p> <hr/> <p>The exercise above would go beyond the confusing, into the territory of the impossibly frustrating, and ultimately meaningless.</p> <hr/> <p><b>6. PROGRESS</b></p> <hr/> <p><b>LEARNING OBJECTIVES:</b></p>
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		<p><i>Understand the "broken window" fallacy</i></p> <ul style="list-style-type: none"> <li>• <i>Understand the more general concept of opportunity cost</i></li> <li>• <i>Understand that whether creating a job is good does not depend simply on the seen benefit. It depends on whether the seen benefit is worth the unseen cost</i></li> </ul> <p><i>Understand the concept of transaction cost</i></p> <ul style="list-style-type: none"> <li>• <i>Understand how social and technological progress can be understood as innovation that lowers transaction cost</i></li> </ul> <p>The disjointed, rambling content of this section is not related to trade at all but exploits, diminishes and distorts a complex, tragic event to advance the libertarian theory of government non-intervention. The objectives are completely insufficient to the content provided. This is the opposite problem of the last section, where a <b>half-page</b> of objectives is addressed by a <u>three-page</u> narrative.</p> <p><b><i>Government as a Framework for Progress</i></b></p> <p><b><i>WHY DIDN'T HURRICANE KATRINA MAKE NEW ORLEANS RICH?</i></b></p> <p><i>People sometimes say that wars and natural disasters are good in a way because they create jobs. It is a radical thought, and fun to think about. Of course we could tell a story that makes it look as if natural disasters do indeed make work.</i></p> <p><i>The French philosopher and politician Frederic Bastiat wrote about this in the 1840s. He was quick to give due credit to government or its role in securing France's borders, and to maintaining France's roads, and so on. But, Bastiat</i></p>
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		<p><i>asked, should we also depend on government to create jobs?</i></p> <p><i>“So, again, why didn't Hurricane Katrina make New Orleans rich? Hurricane Katrina created a lot of work.”</i></p> <p>This chapter is not about trade at all, in fact it is a twisted, callous critique of government intervention. It should honestly begin:  <i>“Government is Against Progress.”</i></p> <p>The author’s straw man, jobs created by hurricane cleanup, absurdly makes no mention of the scope of the damage to employers, employees, property, infrastructure, etc.</p> <p>This absurd false example, twists facts in service of libertarian ideology. 1. Katrina was the most economically devastating such event in U.S. history. Since then there was the cratering of the U.S. economy in 2008, never once mentioned in the book. Asking the childish rhetorical question: <i>“Why Didn’t Katrina Make New Orleans Rich?”</i> is at once cynical, dismissive, and false in an important way. The authors clearly know nothing about the recovery, or if they do, have decided to lie about it. In fact, the recovery made a portion of the city extraordinarily rich.</p> <p><a href="https://www.nola.com/business/index.ssf/2017/09/new_orleans_economy_jobs_futur.html">https://www.nola.com/business/index.ssf/2017/09/new_orleans_economy_jobs_futur.html</a></p> <p>Next, inexplicably, students are treated to their misapplication of the “broken windows” example, which cannot possibly relate logically to the issue of Katrina recovery. The biggest straw man in the book, we are shown how stupid we would be to wish more “broken windows” like that one...more</p>
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			<p>hurricane devastation, as a way to create jobs. Who does that? Who thinks that? In my opinion there is a kind of empty cruelty at the base of this work, which is numb to the heartache, the death and suffering of that catastrophe, as if it can be tossed off as a simple example of their world view.</p> <p>The chapter continues with a F. Bastiat quote, (again Bastiat is an obsolete French theorist resurrected by the libertarian right.) This section goes on simply to disparage “make work” programs. Another libertarian, Friedman gets his turn and then Adam Smith is trotted out for one of a dozen text appearances, appearing to agree that <i>make work</i> is a bad idea. This is just another bizarre, ideologically biased, distorted argument for libertarianism disguised as a chapter on “trade.”</p> <hr/>
Does the text support the essential questions of the course?		X	<p>If there are any essential questions, it is unclear what they are. IF they are around understanding a synthesis of Ethics, Economy, and Entrepreneurship, the answer is also no, for Economics coverage there is only Libertarian economics and the questions in the field are not limited to this biased point of view. There is nothing of substance from the other two fields. And what there is, especially in Ethics, is flawed.</p>
Does the text support		X	<p>There are no outcomes for a course that does not exist beyond this textbook.</p>

the outcome s of the course?			
Is the style of writing interesting, clear and appropriate for students at this grade level?		X	The writing is careless and sloppy. The book is riddled with grammatical errors, misspellings, mixed metaphors and rhetorical questions.
Are visuals (graphs, charts, diagrams , etc.) used effectively to support students' interpretation of and access to the content?		X	The graphing is poorly explained in the text. There are just two graphics and two flow charts style pictures. One of the graphics, a poor photo of a motorbike, with parts that are numbered, is described as a “schematic on how to make a motorbike.” It is no such thing.

Is the text free from biases based on race, color, religion, national origin, marital status, sexual orientation, gender, or disability ?		X	The text is pervasively Ethno-centric, and Euro-centric and consistently denigrates developing nations, and their economic inferiority. They are by definition, developing. Africa is repeatedly described as “poor.” In addition, these examples of European superiority are fortified by the lack of examples from any non-majority white nation. No mention of Asia, save for the use of North Korea as demon-state. Progress is self-defined here as a “Western” accomplishment. Two women are mentioned in the text, one a journalist, the other a Biosphere inhabitant. Both citations are rhetorical, distorted exploitations of their activities.
Does the text provide a background of information that will motivate students to examine their own attitudes		X	Any good course in Ethics would do that, but this is not that course. It creates an infrastructure of misinformation which will lead to a flawed examination, and a distortion of that exploration.

and behavior, responsibilities, rights, and privileges as citizens in our society, and to make intelligent judgments in their daily lives?			
Does the text provide authentic problems, issues or scenarios for students to evaluate?		X	<p>The following are examples of examples they give. They are <u>not</u> authentic. Without exception, they are a complete distortion of the reality they purport to exemplify:</p> <p><i>“To our recent ancestors the idea that the poor eat too much would be impossible.”</i> (paraphrase) From this they go on to argue that evidence for our wealth is that our poor are obese. This beggars the imagination for its stupidity and mischaracterization of diet, nutrition, and the role of non-nutritive processed food and drink in malnutrition.</p>

			<p>The Green Turtle. They describe the fate of the declining turtle as a problem of its existence in nature. They exploit a regulatory mistake to justify an argument for the privatization of their habitat.</p> <p>Jamestown's failure. The authors completely distort the available research on Jamestown, none of which cite their communal life as a foundation for this. The research they do mention has been eliminated from serious consideration by scholars.</p> <p>Authors completely distort and misrepresent the purpose of Biosphere. They want students to think Biosphere is a failure of a commons without commerce. However, it was/is simply <u>not</u> a communal life experiment. It was and is a way to test survival in extreme and isolated environments and to test for the possibility for the production of life essentials in those environments. And they distort Jayne Poynter's experience and assessment. They also say "<i>She did a TED talk.</i>" They misuse her joke about wanting to order a pizza to comment that there were not the ingredients for a pizza produced in the enclosure. A failure of a place without "markets." And, there is no reference to the talk, which would belie this distortion. Because students taking this course are Tucsonans, this is particularly odious, casting false aspersions on an important local scientific site.</p> <p><a href="http://mentalfloss.com/article/81553/how-living-inside-biosphere-2-changed-these-scientists-lives">mentalfloss.com/article/81553/how-living-inside-biosphere-2-changed-these-scientists-lives</a></p>
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Does the text support interdisciplinary connections and explorations?		X	<p>Comment: There is no support for this.</p> <p>A. ETHICS The interdisciplinary violations begin with the mere 10 references to Ethics in the book, and no substantial interconnections with the two other cognate fields—Economics and Entrepreneurship</p> <p>B. ECONOMICS There is scant mention of the important economic literature not stemming from the proponents of libertarian economics. It is NOT interdisciplinary, and is fatally biased.</p> <p>C. ENTREPRENEURSHIP This section is completely inadequate, and seems to be tacked on. I consulted two standard introductions to the field. There is virtually no mention in these comprehensive texts, of the topics in the mere nine pages of substance on this cognate.</p> <p>A. On field specific standards and the EEE text: First in the cognate field of Ethics, the following text by Brown, et. al., is an exemplar of a course in introductory ethics. Its contents are close to definitive in the general field. There is nearly no coverage of any of this important foundational content in the text under review.</p> <p><i>Brown, Montague. <u>The Quest for Moral Foundations: An Introduction to Ethics</u>. Washington: DC. Georgetown University Press, 2007.</i></p>
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		<p>From the Table of Contents. The following are standard for an introduction. <u>There is no mention of any of this content</u> in the EEE text.</p> <p>Topics:</p> <p>Moral relativism</p> <p>Cultural relativism</p> <p>Emotivism</p> <p>Egoism</p> <p>Social Contract Theory</p> <p>Utilitarianism</p> <p>Rule utilitarianism</p> <p>Formalism</p> <p>Kant and Practical Reason</p> <p>Natural Law</p> <p>Ethical Pluralism</p> <p>Pragmatism</p> <p>Consequentialism</p> <p>Virtue Ethics</p> <p>Ethics of Care</p> <p>Contract Theory</p> <p>Of twenty classic philosophers of ethics treated extensively in Brown, EEE includes four, and those only as <u>mentions</u> without further meaningful guidance to their work or significance.</p> <p>Aristotle</p> <p>Plato</p> <p>A.J. Ayer</p> <p>Francis Bacon</p> <p>Thomas Hobbes</p> <p>R.M. Hare</p> <p>Alasdair MacIntyre</p> <p>G.E. Moore</p> <p>Bertrand Russell</p>
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		<p><u>Turgot</u>. Early “property rights” contractarian from the 1840s, frequently used as a paragon by far right think tanks.</p> <p><u>Friedrich Hayek</u>. Godfather of libertarianism economics.</p> <p><u>Tyler Cowen</u>...economist of “culture,” Libertarian economist in Koch funded department at George Mason University.</p> <p><u>Harold Demsetz</u>. Chicago School, property rights advocate, favorite of the <i>Online Library of Liberty</i>. Demsetz and Coase are supported by a review in the Austrian School Mises Institute a foundational journal of extreme libertarianism. Also, Ronald Coase:</p> <p>NOTE: From <u>the New Yorker</u>, Sept. 3, 2013.</p> <p><i>“During his lifetime, Coase, who was born in London’s Willesden neighborhood and educated in England before moving to America in 1951, was transformed into an icon of the political right. His famous “Coase theorem” was used to justify a hands-off approach to big business on the part of politicians, regulatory agencies, and judges, leaving pollution and other economic problems to the corrective powers of the free market.”</i></p> <p>No text mention of the fact that this is a partisan position, and that counterarguments are available in economics: See: Dimitris Milonakis and Giorgos Meramveliotakis. “Homo Economicus and the Economics of Property Rights: History in Reverse Order.” 2013 45: 5 originally published online 24 May 2012. <i>Review of Radical Political Economics</i></p> <p><u>Frederick Bastiat</u>. 1840’s French enemy of the revolution and darling of the Foundation for Economic Education, where developing countries</p>
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			<p>are advised to control their populations, and the movement of them, or else.</p> <p>They mention in EEE Joseph Schumpeter's concept of "creative destruction" and go on to completely misrepresent his support for but trenchant critique of capitalism.</p> <p><u>James Buchanan</u>. Libertarian economist and key figure at Univ. of Virginia, U. of Chicago, and George Mason departments, which specialized in hyper-conservative, property rights slant to economic analysis.</p> <p><u>George Selgin</u>. Economist for the neoliberal, hyper-conservative Cato Institute</p>
Does the text reinforce critical thinking, problem solving and higher order thinking skills?		X	<p>In the first 200 pages there are <u>more than 200 questions</u>. The large majority of them are rhetorical questions, leading to a preordained supposed right answer. The large majority also are questions which the text does not provide the resources to research an answer. It does not provide enough substance for this. It is full of speculation, guesses and unsubstantiated claims. It would be a poor foundation for these skills. Its cavalier approach to facts and research is unfertile soil in which to grow any meaningful thinking skills.</p>

Evaluator Name (Print):

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Professor, Philosophy of Education and Educational Leadership  
Northern Arizona University

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Evaluator Signature:

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