

*Simon Fraser University*  
*Graduate Liberal Studies Program*

**LS 812: Business, Science and Religion**

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Class webpage: <http://www.sfu.ca/~poitras/LS812.htm>

**Course Description:**

This course explores the religious and scientific foundations for modern business practices. The central themes to be examined in the course are: the religious foundations of current business practices, concentrating on financial activities; how modern business practices are justified, both ethically and ideologically; and, how modern business rhetoric uses the pretext of ethical superiority or scientific objectivity to promote economic, political and social objectives.

**Course Materials**

Many readings are available on-line through the class webpage. Relevant readings not available for download will be made available prior to the week of classes in which the reading is discussed. Poitras (2000) an essential source for some readings as well as providing a bibliography for some additional background reading material.

**Some Course and Supplementary Readings**

M. Atwood, Payback: debt and the shadow side of wealth, Toronto: Anansi, 2008.

P. Bernstein, Capital Ideas: the improbable origins of modern Wall Street, New York: Free Press, 1993.

D. Defoe (1719), The Villany of Stock Jobbers Detected.

R. Ekelund, et al., Sacred Trust: The Medieval Church as an Economic Firm, New York: Oxford U. Press, 1996.

M. Friedman, Free to Choose, New York: Harcourt, Brace, Jovanovich, 1980.

S. Haliczer, Between exaltation and infamy: Female mystics in the Golden Age of Spain. Oxford, UK: Oxford University Press, 2002.

C. Haskins, The Rise of Universities, Cornell: Cornell U. Press, 1923.

F. Hayek, The Road to Serfdom, Chicago: U of Chicago Press, 1944.

W. Howell, Logic and Rhetoric in England, 1500-1700, New York: Russell and Russell, 1956.

D. Hume, Essays, Moral, Political and Literary, (1742) reprint, London: Oxford UP, 1963.

J.M. Keynes, The General Theory of Employment, Interest and Money (1936) reprint New York: Harcourt, 1964.

J. Kirshner (ed.), Business, Banking and Economic Thought, Selected Studies of Raymond de Roover, Chicago: U of Chicago Press, 1974.

- B. Levack, The witch-hunt in early modern Europe, New York: Longman/Pearson, 2006
- C. Mackay, Extraordinary Popular Delusions and the Madness of Crowds (2<sup>nd</sup> ed., 1852) reprint New York: Bonanza Books, 1980.
- J. Noonan, The Scholastic Analysis of Usury, Cambridge: Harvard U. Press, 1957.
- M. Olsen, The Logic of Collective Action, Cambridge, Mass.: Harvard U. Press, 1965.
- K. Pearson, The History of Statistics in the 17<sup>th</sup> and 18<sup>th</sup> Centuries, (E. Pearson, ed.) London: Griffin, 1978.
- G. Poitras, The Early History of Financial Economics. 1478-1776, Edward Elgar, 2000.
- W. Shakespeare, The Merchant of Venice, (1600) Quiller-Couch (ed.), Cambridge: Cambridge U. Press, 1969.
- T. Sedlacek, Economics of Good and Evil: The Quest for Economic Meaning from Gilgamesh to Wall Street. New York: Oxford University Press, 2011.
- J. Swift, Gulliver's Travels (1726), I. Asimov (ed.), New York: Clarkson Potter, 1980.
- Voltaire, F. (1759), Candide, J. Butt (trans.), Baltimore: Penguin Books, 1965.
- Voltaire, F. (1768), The Man of Forty Crowns, London, T. Becket and P. D. Hondt.
- M. Weber, The Protestant Ethic and the Spirit of Capitalism, New York, Scribner, 1958.

### **Course Organization and Evaluation:**

The evaluation will be composed of three parts: 40% individual work; 40% group work; and 20% individual class participation.

The individual work component will be an essay on a topic relevant to the class themes. The specifics for the essay, such as length and topic, will be determined after individual consultation with the instructor. A non-binding list of potential topics, together with an essay template, will be distributed.

The topics for the group presentations will be concerned with developing the specific course themes, such as how business interests use the rhetoric of scientific objectivity to promote political and social objectives. To form groups, the class list will be divided into groups of 3 to 4 people, using a method which is agreeable to the class.

In addition to individual groups being responsible for leading class sessions, each individual will be expected to participate in the class discussions during weeks when their group is not directly responsible for that topic (20%).

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## DETAILED COURSE SYLLABUS

### Week 1: Introduction

- Class Organization: Creation of Groups, Discussion of Evaluation, Review of Syllabus, Course Overview
- The Search for Historical Jesus
- Gnostics, Arians, Manichaeans and Cathars
- Early History of Financial Markets: Commercial Arithmetic, Reckoning School Education and Early Types of Securities
- Available Reading:
  - Poitras (2000), ch. 2, 'History of Commerce and Finance'.
  - Selected 'downloadable readings' from class webpage

### Week 2: Scholastic Analysis of Business Practices

- What is Natural Law?
- The Scholastic Analysis of Usury and Interest
- The Scholastic Analysis of Risk and Gambling
- The Church as an Economic Firm
- Available Reading:
  - Poitras (2000), ch. 3, 'The Scholastic Analysis of Usury and Other Subjects'
  - Noonan (1957), The Scholastic Analysis of Usury, ch. 1-2.
  - D. Bellhouse (1988), "Probability in the Sixteenth and Seventeenth Centuries: An Analysis of Puritan Casuistry", International Statistical Review
- Possible Additional Readings: Sections from Noonan; Ekelund; Krishner

### Week 3: Business, the Reformation and the Enlightenment

- The Scholastic Analysis of Monopoly
- 'The Merchant of Venice' as a Reflection of the Social Prohibition on Usury
- Petrus Ramus and the 16<sup>th</sup> Century Revolt Against Humanism in University Education
- Was Isaac Newton an Arian?
- Available Readings:
  - R.de Roover (1951), "Monopoly Theory Prior to Adam Smith", ch. 8 in Kirshner (1974).
  - Poitras (2000), Appendix to Chapter 3 on 'Merchant of Venice'.

Howell (1956), 'The English Ramists', ch.4 in Logic and Rhetoric in England 1500 - 1700.

- Possible Additional Readings: Sections from Haskins; Shakespeare (1600)

#### **Week 4: Mania or Manipulation? Explaining Irrational Security Pricing**

- Tulipmania: The Historical Record
- The Early History of Joint Stock Trading
- Daniel Defoe and the Anatomy of Exchange Alley
- The Mississippi Scheme and the South Sea Bubble
- Jonathan Swift: "The Bubble" (1720)

Available Readings:

- Poitras (2000), ch. 10, 'Manias, Manipulations and Institutional Failures'
- N. Posthumous (1929), "The Tulipmania in Holland in the Years 1636 and 1637",  
Journal of Economics and Business History
- P. Garber (1989), "Tulipmania", Journal of Political Economy.
- Defoe (1719), "The Villany of Stock Jobbers Detected".
- Poitras (2000), ch.8, 'The Analysis of Joint Stocks'.
- B. Bartlett (1992), "Jonathan Swift: Father of Supply-Side Economics", History of Political Economy.

Possible Additional Readings: Mackay (1852).

#### **Week 5: Jonathan Swift, David Hume and Richard Price**

- Jonathan Swift: Gulliver's Travels (1726)
- The Writings of Richard Price
- Hume vs. Price on Miracles: Do you believe in miracles?
- The English Debates Over Interest Rates and Public Credit

Available Reading:

- Swift (1726), Gulliver's Travels, Part III, ch.1-3.
- Poitras (2000), ch.11, 'English Debates over Interest Rates and Public Credit'
- K. Pearson (1978), sec. 10.4, 'Richard Price, 1723-1791: his background, education, religious views and friends', in The History of Statistics in the 17<sup>th</sup> and 18<sup>th</sup> Centuries.
- Poitras, "Richard Price, Miracles and the Origins of Bayesian Decision Theory", EJHET (2011).
- Price, Four Dissertations, IV.
- D. Hume, "Essay on Public Credit"

- D. Hume, "Essay on Interest"
- D. Hume, "Of Miracles"

Possible Additional Reading: Other Hume Essays; Voltaire, The Man of Forty Crowns.

### **Week 6: Silenced Voices: From Mysticism to Wollstonecraft**

- Mysticism, Heresy and Gender
- Who was Saint Eulalia?
- History of Witch Burnings
- Mary Wollstonecraft, A Vindication of the Rights of Women

Available Reading:

- D. Hume "Of Love and Marriage"
- D. Hume "Of Polygamy and Divorces"
- M. Wollstonecraft, A Vindication

### **Week 7: Utopia, Technology and Modern Business Ideology**

- Mary Shelley and Frankenstein
- Charles Dickens and the Evils of Industrialization
- Utopian Worlds: From St. Simon to William Morris

Available Reading:

- M. Shelley, Frankenstein (1818)
- C. Dickens, The greatest pages of Charles Dickens (by Stephen Leacock, 1934)
- C. Dickens, A Christmas Carol (1843)
- W. Morris, News from Nowhere (1890)

### **Week 8: The Invisible Hand and the Problem of Public Goods**

- What is the Invisible Hand?
- Adam Smith and the Invisible Hand
- Reasons for Government Involvement in Business
- Decision Making in Groups and the Public Goods Problem

Available Reading:

- Adam Smith, The Wealth of Nations, Part IV., Sec.II
- W. Grampp (2000), "What Did Smith Mean by the Invisible Hand?", J. of Political Economy.
- Poitras and Jovanovic, "Pioneers of Financial Economics: *Das Adam Smith Irrelevanzproblem?*" HER (2010).

M. Olsen (1965), The Logic of Collective Action, Introduction and ch.1

Possible Additional Reading: Adam Smith, Theory of Moral Sentiments (1759).

### **Week 9: Emergence of Modern Business Ideology: Keynes, Hayek and Friedman**

- Keynes and the Stock Market Crash of 1929
- The General Theory of Employment Interest and Money (1936)
- Hayek and the Struggle Against Collectivism
- Milton Friedman: Capitalism and Freedom

Available Reading:

Poitras (2000), Appendix to ch. 10 on “The Bubble” by Jonathan Swift  
 J.M. Keynes (1936), The General Theory, ch.12 and ch.23  
 M. Friedman (1980), Free to Choose, Introduction and ch.1  
 F. Hayek (1944), Road to Serfdom, Introduction and ch.1-III.

Possible Additional Reading: H Marcuse, One Dimensional Man (1966); Milton Friedman, Capitalism and Freedom (1962).

### **Week 10: Business, Science and Religion in the 21<sup>st</sup> Century**

- The Protestant Ethic in the 21<sup>st</sup> Century
- Ayn Rand, Atlas Shrugged (1957)
- Ulrich Beck, World Risk Society (1999)
- Millenarians and the Apocalypse

Assigned Reading:

Max Weber, The Protestant Ethic, Introduction and ch.2  
 Poitras (2002), “Post Keynesian Investment Philosophy”, Journal of Post Keynesian Economics.

Possible Additional Reading: N. Dunbar (2000), Inventing Money, Introduction and ch.1-2.

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### **WEEKS 11-12: GROUP PRESENTATIONS**

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## **Week 13: Roundup/Guest Speaker**

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### **TOPICS FOR GROUP PRESENTATIONS**

- Is Freedom of the Press Inconsistent with Corporate Control of the Media?
- Social Justice: A Better World for Everyone?
- Feminism and the Rhetoric of Business
- The Ethical Responsibility of Business is to Maximize Profits

### **Other possible topics**

- Shareholder Value Creation and Stock Market Pricing: A Fraud on the Public?
- Social Implications of the Decline of Liberal and Humanist Ideals in University Education
- Death and Taxes: the Morality of Government Policy Decisions
- A Society without Interest: The Social Implications of Islamic Economics
- Manias, Manipulations or Institutional Failure: Explaining Irrational Prices