

- last row have no chance at all.
- Divide the cake according to a random process (lottery) in which each person has an equal probability of being selected to receive a piece of the cake. Repeat the process 30 times.⁵²
 - Divide the cake according to an electoral process in which a simple majority gets two-thirds of the cake. Choose two candidates and vote for them. ■

Case 7.2 The Economics of Morality: Evaluating Living Wage Policies

Groups A, B, and C from the last exercise will apply their rules to the issue of whether or not the “living wage” policies described in [Case 7.2](#) are justifiable. Justify each of your rules by drawing on normative ethical and meta-ethical theories described in this chapter, including Nozick and Rawls. Then construct a 10-minute briefing in which you present a recommendation(s) to the mayor of a city considering a living wage.

The living wage movement is considered by many to be one of the most important grass roots political mobilizations since the U.S. Civil Rights movement. Issues surrounding the adoption of a living wage are economic as well as moral and ethical. Economists are divided on the effects of the living wage on poverty, inequality, and employment, while the majority of religious and community leaders have supported the living wage for more than 100 years.

The following calculations have been extracted from a web page (www.livingwage.geog.psu.edu) developed by Dr. Amy K. Glasmeier of the Massachusetts Institute of Technology. The *living wage* shown is the hourly rate in 2011 that a full-time employed person (2,080 hours per year) in New York City (Queens County) must earn to support families of different sizes. In New York City, the *minimum wage* of \$7.25 per hour is the same for all persons, regardless of the number of dependents. Although the poverty rate is typically quoted as gross annual income, for purposes of comparison it has been converted into an hourly wage.

Table C7.2.1

[Hourly Wages](#)

Hourly Wages	One Adult	One Adult, One Child	Two Adults	Two Adults, One Child	Two Adults, Two Children
Living Wage	\$11.86	\$19.66	\$16.29	\$24.10	\$30.30
Poverty Wage	\$5.04	\$6.68	\$6.49	\$7.81	\$9.83
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25

Municipalities such as San Francisco, Detroit, and Chicago set the minimum wage higher than the federally mandated 2011 minimum wage of \$7.25. The minimum living wage for an adult with one child and larger families also differs. In Pittsburgh, the living wage for an adult with one child is \$34,244 per year, while in Los Angeles it is \$45,235.

Typical Expenses

These figures were used to calculate the 2011 living wage in New York City. Numbers vary by family size. For typical expenses, living wages, and salaries for different occupations across the United States see www.livingwage.geog.psu.edu. ■

Table C7.2.2

[Monthly Expenses](#)

Monthly Expenses	One Adult	One Adult, One Child	Two Adults	Two Adults, One Child	Two Adults, Two Children
Food	\$232	\$378	\$448	\$594	\$740
Child Care	0	572	0	572	1,012
Medical	76	151	152	227	302
Housing	1,185	1,318	1,185	1,318	1,318
Transportation	232	397	464	629	794
Other	188	369	376	557	738
Monthly After-Tax Income That's Required	1,913	3,185	2,625	3,897	4,904
Annual After-Tax Income That's Required	22,956	38,220	31,500	46,764	58,853
Annual Taxes	1,706	2,678	2,387	3,373	4,161
Annual Before Tax Income That's Required	\$24,662	\$40,898	\$33,887	\$50,137	\$63,014

Source: © 2011 Dr. Amy K. Glasmeler and The Pennsylvania State University.

¹ Duncan MacRae Jr., *The Social Function of Social Science* (New Haven, CT: Yale University Press, 1976), rightly observes that policy analysis may be considered a form of applied ethics.

² One of the important aims of William R. Shadish, Thomas D. Cook, and Donald T. Campbell, *Experimental and Quasi-Experimental Designs for Generalized Causal Inference* (Belmont, CA: Wadsworth, Cengage Learning, 2002) is to develop and justify a generalized theory of causal inference.

³ This is a paraphrase from Milton Friedman, *Essays in Positive Economics* (Chicago, IL: University of Chicago Press, 1953), p. 5. Friedman is speaking about “positive economics.”

⁴ Logical positivism is also called *logical empiricism* and, sometimes, *scientific empiricism*.

⁵ Stephen C. Pepper, *The Sources of Value* (Berkeley: University of California Press, 1958).

⁶ This definition, well known to political scientists, is that of David Easton in *The Political System* (Chicago, IL: Alfred Knopf, 1953).

⁷ Abraham Kaplan, *The Conduct of Inquiry* (San Francisco, CA: Chandler, 1964), pp. 387–397.

⁸ *Ibid.*, pp. 387–389.

⁹ See Harold D. Lasswell and Abraham Kaplan, *Power and Society* (New Haven, CT: Yale University Press, 1950).

¹⁰ For illustrations, see Elizabeth Howe and Jerome Kaufman, “Ethics and Professional Practice in Planning and Related Policy Professions,” *Policy Studies Journal* 9, 4 (1981): 585–594.

¹¹ See John Dewey, “Theory of Valuation,” *International Encyclopedia of Unified Science* 11, 4 (1939).

¹² See, for example, Ernest House, *Evaluating with Validity* (Beverly Hills, CA: Sage Publications, 1980), and Deborah Stone, “Conclusion: Political Reason,” in *Policy Paradox: The Art of Political Decision Making* (New York: W. W. Norton, 2002), pp. 384–415.

¹³ Stokey and Zeckhauser, *A Primer for Policy Analysis*, pp. 4–5.

¹⁴ Kurt Baier, “What Is Value? An Analysis of the Concept,” in *Values and the Future*, ed. Kurt Baier and Nicholas Rescher (New York: Free Press, 1969), p. 53.

¹⁵ For example, Herman Mertins, *Professional Standards and Ethics: A Workbook for Public Administrators* (Washington, DC: American Society for Public Administration, 1979).

¹⁶ Louis A. Gewirth, *Reason and Morality* (Chicago, IL: University of Chicago Press, 1978), p. 67.

¹⁷ Yehezkel Dror, *Public Policymaking Reexamined* (New York: Elsevier, 1968).

¹⁸ Thomas D. Cook and Charles Gruder, “Metaevaluation Research,” *Evaluation Quarterly* 2 (1978): 5–51. MacRae has developed an important original application of meta-ethics to the normative ethics of policy analysis. Duncan MacRae Jr., *The Social Function of Social Science* (New Haven, CT: Yale University Press, 1976).

¹⁹ For example, MacRae, *The Social Function of Social Science*; Frank Fischer, *Evaluating Public Policy* (Chicago, IL: Nelson-Hall, 1995).

²⁰ Alex C. Michalos, “Facts, Values, and Rational Decision Making,” *Policy Studies Journal* 9, 4 (1981): 544–551.

- ²¹ Fred R. Dallmayr, "Critical Theory and Public Policy," *Policy Studies Journal* 9, 4 (1981): 523. Daneke makes a general case for the introduction of meta-ethics into the curricula of schools of public policy and management. Gregory Daneke, "Beyond Ethical Reductionism in Public Policy Education," in *Ethics, Values, and the Practice of Policy Analysis*, ed. William N. Dunn (Lexington, MA: D.C. Heath, 1982).
- ²² John Rawls, *A Theory of Justice* (Cambridge, MA: Harvard University Press, 1968).
- ²³ Laurence H. Tribe, "Ways Not to Think about Plastic Trees," in *When Values Conflict*, ed. L. H. Tribe, C. S. Schelling, and J. Voss (Cambridge, MA: Ballinger, 1976), p. 77.
- ²⁴ Joel L. Fleishman and Bruce L. Payne, *Ethical Dilemmas and the Education of Policymakers* (Hastings-on-Hudson, NY: Hastings Center, 1980).
- ²⁵ Elizabeth Howe and Jerome Kaufman, "The Ethics of Contemporary American Planners," *Journal of the American Planning Association* 45 (1979): 243–255, and "Ethics and Professional Practice in Planning and Related Planning Professions," *Policy Studies Journal* 9, 4 (1981): 585–594.
- ²⁶ Milton Rokeach, *The Nature of Human Values* (New York: Free Press, 1973).
- ²⁷ *Ibid.*, p. ix.
- ²⁸ Howe and Kaufman, "The Ethics of Contemporary American Planners."
- ²⁹ See Saul Alinsky, *Rules for Radicals* (New York: Random House, 1971).
- ³⁰ See Sissela Bok, *Lying: Moral Choice in Public and Private Life* (New York: Pantheon, 1978).
- ³¹ Rokeach, *Nature of Human Values*, pp. 215–234.
- ³² *Ibid.*, p. 81.
- ³³ Lawrence Kohlberg, *Stages in the Development of Moral Thought and Action* (New York: Holt, Rinehart, and Winston, 1961).
- ³⁴ Lawrence Kohlberg, "From Is to Ought: How to Commit the Naturalistic Fallacy and Get Away with It in the Study of Moral Development," in *Cognitive Development and Epistemology*, ed. T. Mischel (New York: Academic Press, 1971), pp. 151–235. The "naturalistic fallacy" is the fallacy of deriving an "ought" from an "is."
- ³⁵ See Louis A. Gewirth, *Reason and Morality* (Chicago, IL: University of Chicago Press, 1978).
- ³⁶ See P. W. Taylor, *Normative Discourse* (Englewood Cliffs, NJ: Prentice Hall, 1971); Stephen Toulmin, *The Place of Reason in Ethics* (Oxford: Oxford University Press, 1950); Stephen Toulmin, *The Uses of Argument* (Cambridge: Cambridge University Press, 1958); Kurt Baier, *The Moral Point of View* (Ithaca, NY: Cornell University Press, 1965); and Frank Fischer, *Politics, Values, and Public Policy* (Boulder, CO: Westview Press, 1980).
- ³⁷ See, for example, the description of "evaluation" research in Marcia Guttentag and Elmer Struening, ed., *Handbook of Evaluation Research*, 2 vols. (Beverly Hills, CA: Sage Publications, 1975), and Leonard Rutman, ed., *Evaluation Research Methods: A Basic Guide* (Beverly Hills, CA: Sage Publications, 1977).
- ³⁸ Peter H. Rossi and Sonia R. Wright, "Evaluation Research: An Assessment of Theory, Practice, and Politics," *Evaluation Quarterly* 1, 1 (February 1977): 21.
- ³⁹ *Ibid.*, p. 22.
- ⁴⁰ Walter Williams, *Social Policy Research and Analysis* (New York: Elsevier, 1971), p. 93.
- ⁴¹ Note that three of the approaches to monitoring discussed in Chapter 8—that is, social systems accounting, social auditing, and research and practice synthesis—may also be considered as forms of retrospective outcome evaluation. Similarly, cost–benefit and cost–effectiveness analysis (Chapter 5) may be viewed as particular forms of retrospective outcome evaluation.
- ⁴² Rossi and Wright, "Evaluation Research," p. 27.
- ⁴³ For accounts of these and other deficiencies, see Carol H. Weiss, *Evaluation Research* (Englewood Cliffs, NJ: Prentice Hall, 1972); Ward Edwards, Marcia Guttentag, and Kurt Snapper, "A Decision-Theoretic Approach to Evaluation Research," in *Handbook of Evaluation Research*, ed. Guttentag and Struening, pp. 139–181; and Martin Rein and Sheldon H. White, "Policy Research: Belief and Doubt," *Policy Analysis* 3, 2 (1977): 239–272.
- ⁴⁴ On evaluability assessment, see Joseph S. Wholey and others, "Evaluation: When Is It Really Needed?" *Evaluation* 2, 2 (1975): 89–94; and Wholey, "Evaluability Assessment," *Evaluation Research Methods*, ed. Rutman, pp. 41–56.
- ⁴⁵ See Rutman, *Evaluation Research Methods*, p. 18.
- ⁴⁶ Wholey, "Evaluability Assessment," pp. 43–55.
- ⁴⁷ See Edwards, Guttentag, and Snapper, "A Decision-Theoretic Approach," pp. 148–159.
- ⁴⁸ See Wholey, "Evaluability Assessment," pp. 44–49.
- ⁴⁹ Deborah Stone, *Policy Paradox: The Art of Political Decision Making*, rev. ed. (New York: W. W. Norton, 2002), Chapter 2: Equity, pp. 39–60, and Chapter 3: Efficiency, pp. 61–85.
- ⁵⁰ John Rawls, *A Theory of Justice* (Cambridge, MA: Harvard University Press, 1971).
- ⁵¹ Robert Nozick, *Anarchy, State, and Utopia* (New York: Basic Books, 1974).
- ⁵² This is sampling with replacement, where each person selected is returned to the pool and can be selected again in each of the 30 draws.