

Homework 10
GEA 101
Critical Thinking
Course Instructor: Dr. Michael Johnson

Your Name: _____

Student ID # _____

This is another essay question. Your essay does not have to be long, 6 to 15 sentences should be fine.

None of you, I suspect, are PhD's in economics. However, you probably all have views about economic policy. Consider these two policy positions:

Policy #1: Hong Kong should maintain its current minimum wage or it should have a higher minimum wage.

Policy #2: Hong Kong should have a lower minimum wage than it does right now, or it should have no minimum wage at all.

Which of these two policy positions do you believe in?

After you've figured out which one you believe in, I would like you to imagine that the economic authorities (people who have degrees in economics, and who teach it to students) arrive at the opposite view:

If you believe policy position #1, imagine that the experts all say, "We've looked at all the data, run simulations, compared different policies in different countries, and we are absolutely sure that policy #2 is a better policy."

If you believe policy position #2, imagine that the experts all say, "We've looked at all the data, run simulations, compared different policies in different countries, and we are absolutely sure that policy #1 is a better policy."

Would you accept what the authorities/ experts said, or would you maintain your belief about the appropriate policy? Can you explain to me why you would answer in this way? Why do you or don't you trust the authorities to determine the question?

Note 1: If you don't really care about economic policy, can you think of some other issue where what you believe and what the experts believe is different? You can write about that instead.

Note 2: This assignment is similar to the essay where I asked you to assume that science has concluded (and you agree with it) that your favorite medical treatment is no better than a placebo. There, I wanted you to imagine that it was a fact that the treatment really was no better than a placebo, and then to tell me whether you'd trust the facts or your own views. Here, I want you to imagine that the experts say your view is false—you don't know the facts, because they are too complicated (difficult economic calculations). What you know is what the experts *say* are the facts. Do you trust the experts or your own views? Why?