

# *Capitalism in the Modern World*

ECON/PHIL 376b  
Fall 2007 Semester

Professor Fred Rezazadeh (Economics)  
and  
Professor Stephen Hicks (Philosophy)

**Dr. Rezazadeh's office and hours:**

Colman 105, (815) 226 4162  
MWF 11:00-12:00  
TTH 11:00-1:00  
TW 5:30-6:00

**Dr. Hicks's office and hours:**

Scarborough 119, (815) 226 4078  
MWF 2-4  
MF 4-5:30

**Books**

Hicks, Stephen and Fred Rezazadeh, editors. *Capitalism in the Modern World* packet.  
Friedman, Milton. *Free to Choose*.  
Norberg, Johan. *In Defense of Global Capitalism*.  
Rand, Ayn. *Capitalism: The Unknown Ideal*.  
Yergin, Daniel. *The Commanding Heights* (DVD).

**Featured Guest Speakers:**

Dr. David Schweickart, Philosophy, Loyola University, Chicago. *Topic:* Karl Marx and Marxist critique of capitalism  
Dr. David Kelley, Philosophy, The Atlas Society, Washington, D.C. *Topic:* Ayn Rand's moral defense of capitalism  
Dr. Alexei Marcoux, Business, Loyola University, Chicago. *Topic:* Friedrich Hayek's account of capitalism's economic efficiency

**Assignments and Grading**

Take-home midterm test .....	20
Country Project five-minute proposal presentation .....	5
Country Project final presentation .....	20
Country Project written report .....	10
Participation .....	20
Final exam .....	<u>25</u>
	100

**Possible countries for Country Project:** Germany's reunification, China, Czech Republic, Bolivia, Poland, Russia, Chile, Thailand, South Korea, India, and many others.

**Center for Ethics and Entrepreneurship Prizes for Best Country Project:** \$500 First Prize, \$100 Runner-up.

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## Schedule

Week	Theme	Readings	Other
1 (Aug 29)	<p>Introduction</p> <ul style="list-style-type: none"> <li>▪ Capitalism and economics: What <i>is</i> capitalism?</li> <li>▪ Capitalism and ethics: What is <i>good</i>?</li> </ul>	<p>Rothbard, Murray “Free Market.”</p> <p>Dillard, Dudley. “Capitalism.”</p> <p>Edwards, Richard C., Reich, Michael, and Weisskopf, Thomas excerpt from <i>The Capitalist System</i>.</p> <p>Rima, Ingrid Hahne. Excerpt from <i>Development of Economic Analysis</i>.</p>	
2 (Sep 5)	<p>Early defenses of capitalism:</p> <ul style="list-style-type: none"> <li>▪ Capitalism’s and productivity</li> <li>▪ Capitalism and individual liberty</li> <li>▪ Capitalism and “the greatest happiness of the greatest number”</li> </ul>	<p>Smith, Adam. Excerpt from <i>An Inquiry into the Nature and Causes of the Wealth of Nations</i>.</p> <p>Jefferson, Thomas, <i>The Declaration of Independence</i>.</p> <p>U. S. Constitution: The Bill of Rights.</p> <p>Mill, J. S. Excerpts from <i>Utilitarianism</i> and <i>On Liberty</i>.</p>	
3 (Sep 12)	<p>Early criticisms of capitalism:</p> <ul style="list-style-type: none"> <li>▪ Capitalism and inequality</li> <li>▪ Capitalism and class conflict</li> </ul>	<p>Rousseau, Jean-Jacques, excerpts from <i>Discourse on the Origin of Inequality</i>.</p> <p>Marx, Karl. “The Labour-Process and the Process of Producing Surplus-Value.”</p> <p>Engels, Frederick. Excerpt from <i>Socialism, Utopian and Scientific</i>.</p> <p>Rezazadeh, Fred. “The Political Economy of Karl Marx.”</p>	
4 (Sep 19)	<p>Capitalism and the 20<sup>th</sup> century:</p> <ul style="list-style-type: none"> <li>▪ Int’l socialism’s criticisms of capitalism</li> </ul>	<p>Lenin, V.I. Excerpt from <i>V.I. Lenin, Collected Works</i>.</p> <p>Mao. “On Contradiction.” From <i>Selected Readings from the Works of Mao Tsetung</i>.</p>	<p><b>Guest speaker:</b> Dr. David Schweickart, author of <i>After Capitalism</i>.</p>

			<i>Capitalism.</i>
5 (Sep 26)	Capitalism responds to its critics: <ul style="list-style-type: none"> <li>▪ Morality and human rights</li> </ul>	Ayn Rand, <i>Capitalism: The Unknown Ideal</i>	<b>Guest speaker:</b> Dr. David Kelley, author of <i>The Contested Legacy of Ayn Rand.</i>
6 (Oct 3)	Student proposal presentations for Country Case Study and Overflow material		
7 (Oct 10)	<b>Take-home midterm test due</b> Capitalism and the Depression: <ul style="list-style-type: none"> <li>▪ Too much capitalism as the culprit?</li> <li>▪ Too much government as the culprit?</li> </ul>	Samuelson, Robert. "The Great Depression" Keynes, J. M. Excerpt from <i>GTMC</i> Galbraith, John. Excerpt from <i>The Affluent Society</i>	
8 (Oct 17)	Fall Break: No class.		
9 (Oct 24)	Capitalism's effects on racism, sexism, and the poor	Bast, Joseph. "Capitalism and Slavery" Coombs, Norman. "Slavery as Capitalism" Greaves, Bettina. "The Liberation of Women" French, Marilyn. Excerpt from <i>The War against Women.</i> Phelps, Edmund. "Dynamic Capitalism: Entrepreneurship is lucrative—and just" Rawls, John. Excerpt from <i>A Theory of Justice</i> Rezazadeh, Fred. "Economic Prosperity and Growing Income Disparity" Marcuse, Herbert, "The New Forms of Control" from <i>One-Dimensional Man</i>	

<b>10</b> (Oct 31)	Capitalism responds to its critics: ▪ Economic efficiency	Hayek, Friedrich. "The Use of Knowledge in Society" Friedman, Milton and Friedman, Rose. <i>Free to Choose: A Personal Statement</i>	<b>Guest speaker:</b> Dr. Alexei Marcoux, author of <i>Milton Friedman: Business Ethicist</i>
<b>11</b> (Nov 7)	Capitalism and the environment	Ronald Bailey, "Environmentalism for the 21 <sup>st</sup> Century" Goldsmith, Edward. "Global Trade and the Environment"	
<b>12</b> (Nov 14)	Country case studies		
<b>13</b> (Nov 28)	Country case studies		
<b>14</b> (Dec 5)	Country case studies		
<b>15</b> (Dec 12)	Exam		

For Honor Code and disability issues, please consult the Academic Catalogue.

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