



## **Markets, Morality and the Future of Capitalism**

LGST 226, Fall 2011

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Office Hours: Tuesday 12-1:00 p.m. or by appointment

Tuesdays and Thursdays  
5:30-7:00 p.m.  
Room: JMHH 345

Markets play a central role in the life of a capitalist democracy. But is this a good thing? Should we let markets decide who is rich and who is poor? Who makes decisions and who follows them? Whose ideas get heard and whose ideas do not? The goal of this class will be to examine the market from the perspective of various social values to see whether we should want a market system and, if so, what kind of market system we should want. Among the issues we will examine are the following. Does the market contribute to the common good? If so, how? Does the market conflict with the idea that all human beings are of equal value? What is the relation between the market and freedom? Does the market liberate us or oppress us? Can we reconcile the market with our democratic ideals? What role should corporations play in a healthy democracy? What role should markets play in an increasingly globalized world? We will read several important philosophers, economists and political theorists writing on these issues, including Adam Smith, John Rawls, Friedrich Hayek, Amartya Sen, Karl Marx, Robert Nozick, Jürgen Habermas, Robert Dahl, and others.

### **Grading**

30%	First paper
30%	Second paper
30%	Final paper
10%	Class Participation

### **Papers**

There are three assignments for this class. Each one will ask you to write a 5-7 page paper. You will have a choice of writing on an assigned topic or writing on a topic of your own choice. The assigned topics will ask you to assess some claim or theory developed in one or more of the readings. If you write on your own topic, it should address an important normative question regarding the market system and it must engage with the readings. Some possibilities include: applying one or more of the theories we have discussed to a contemporary social issue or case

study; examining a theoretical dispute between two or more authors; attacking the position of an author on a particular normative issue.

Besides helping you to understand the material, the point of the papers is to help you to learn how to present the views of another author and to examine difficult ideas that are not easy to grasp on the first reading. The papers are also a chance for you to formulate your own views over the course of the semester. You will be graded on the depth of your understanding of the relevant moral issues, the quality of your reasoning, and your general grasp of the ideas that we discussed in class.

### **Course materials**

Robert Nozick, Anarchy, State and Utopia (New York: Basic Books, 1974)  
John Rawls, A Theory of Justice, revised edition (Cambridge, MA: Harvard University Press, 1999)  
Amartya Sen, Development as Freedom (New York: Alfred A. Knopf, 1999)  
Coursepack

Optional:

Erik Olin Wright, Envisioning Real Utopias, (Brooklyn: Verso: 2010)  
Friedrich Hayek, The Constitution of Liberty (Chicago: University of Chicago Press, 1960)

## Schedule of Readings

“\*” indicates readings in the coursepack

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### I. Introduction

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*September 8*

Introduction

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### II. Welfare, Efficiency and Equality

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*September 13 and 15*

Buchanan, Ethics, Efficiency, and the Market, pg. 1-26 \*

Adam Smith, The Wealth of Nations, pg. 3-18 \*

Cass Sunstein, “Open Source Software” Infotopia \*

*September 20 and 22*

Adam Smith, The Wealth of Nations, pg. 839-46 \*

John Rawls, A Theory of Justice, §§1-3, 11, 32 and 36

*September 27 and 29*

John Rawls, A Theory of Justice, §§11-17 and 48

*October 4 and 6*

Norman Daniels, “Equal Liberty and Unequal Worth of Liberty” (skip §IV) \*

Robert Frank and Philip J. Cook, The Winner-Take-All Society, Chapter 1, 3, 6 and 11

\*\* FIRST PAPERS DUE OCTOBER 13 \*\*

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### III. Freedom

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*October 13*

Friedrich Hayek, The Constitution of Liberty, Chapter 3

Amartya Sen, Development as Freedom, pg. 13-34, 72-6 and 87-120

*October 18 and 20*

Nozick, Anarchy, State, and Utopia pg. 150-74 (skip 164-66), 262-5

G.A. Cohen, “Capitalism, Freedom and the Proletariat” (webcafe)

*October 25 and 27*

Elizabeth Anderson, “Ethical Limitations of the Market” (webcafe)

G.A. Cohen, Karl Marx’s Theory of History: A Defense, pg. 297-325 \*

*November 1 and 3*

Movie (in class): “Food Inc.”

\*\* SECOND PAPERS DUE NOVEMBER 8 \*\*

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## V. Democracy

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*November 8 and 9 (note the Wednesday class)*

Friedrich Hayek, "Majority Rule" The Constitution of Liberty (webcafe)

Robert Dahl, "American Hybrid" \*

Joshua Cohen, "Deliberation and Democratic Legitimacy" \*

*November 15 and 17*

*Buckley v. Valeo*, pg. 1-16 \*

Charles Beitz, "Political Finance" Political Equality, pg. 192-213 \*

Thomas Christiano, "The Uneasy Relationship Between Democracy and Capital"  
(webcafe)

*November 22 and 29*

Pippa Norris "Knows Little" \*

Habermas, "The Public Sphere," pg. 231-36 and Between Facts and Norms, pg. 373-9 \*

Owen Fiss, "The Democratic Mission of the Press" \*

Optional: Jeremy Tunstall, "World News Duopoly" \*

Habermas, Between Facts and Norms, pg. 359-87 \*

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## VI. The Future

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*December 1, 6 and 8*

Rajan and Zingales, Saving Capitalism from the Capitalists, pg. 275-314 \*

Michele Micheletti, Political Virtue and Shopping, chapter 3 (skip pg. 75-82) (webcafe)

Richard K. Lester and Michael Piore, "Universities as Public Spaces" (webcafe)

Erik Olin Wright, "The Social Economy," pg. 193-216 (webcafe)

\*\* FINAL PAPERS DUE DECEMBER 15 \*\*