

# **LGST 226: Markets, Morality, and Capitalism**

**Robert Hughes**

## **Spring 2021 Syllabus**

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Class meetings: MW 1:30-2:50 via Zoom

Instructor office hours: W 3-4; appointments at other times welcome

Markets are a central feature of most modern societies, but there are many ways a market economy can be structured. Should we allow markets to generate large economic inequalities? To what extent should markets be “free”? Are there some goods that should not be allocated via markets? This course will examine ways in which markets promote or hinder various social values. Our aim will be to determine what sort of market system we should want.

The first half of the course will concern the values of economic equality and economic liberty. Many people are troubled by the large economic inequalities we see today. There are principled reasons to think that some forms of economic inequality are morally objectionable. At the same time, many people value economic liberty, and there are good reasons to think that markets and private property contribute to economic liberty. Are economic equality and economic liberty fundamentally in conflict, or can a market economy protect economic liberty while limiting economic inequality? We will examine how different conceptions of liberty and equality lead to different answers to this question.

The second half of the course will concern ways in which specific market conditions or markets for particular goods can raise distinctive moral problems. Are there market conditions in which an offer can be coercive? Are there market conditions in which there can be transactions that are exploitative despite being beneficial and mutually consensual? Are there market conditions that make exploitation impossible? Is it objectionable to have markets for the sale of human organs, human infants, sex, or primary education? What moral limits are there, and what legal limits should there be, on the use of money to influence politics?

### **Online Format**

I plan to hold class meetings synchronously via the Zoom platform. Links will be provided via Canvas. All class meetings will be recorded.

You should attend class synchronously if you can. If you will normally be unable to attend the synchronous sessions, e.g., due to a large time zone difference, please be in touch with me early in the semester, so we can check in about asynchronous forms of class participation. (For more on this, see below.)

## Readings

Readings for the course will be available via the course website (via Library Course Reserves). Though digital versions of these two books are available, you may wish to use hard copies:

G.A. Cohen, *Why Not Socialism?*  
Jason Brennan, *Why Not Capitalism?*

We will be reading all of the short books by Cohen and Brennan in the first two weeks of class.

## Assignments and grading

15% Questions on the Reading  
15% Class participation  
30% First paper (1800-2400 words, due 2pm Friday, February 26)  
40% Second paper (2400-3000 words, due 2pm Thursday, April 29)

### *Participation*

Active participation is an important component of this course. As in most courses, you will understand the material better if you practice applying concepts and principles yourself, rather than absorbing material passively. In a course about values, asking questions and sharing tentative ideas with others can help you to refine your own views.

Though I hope most students will be able to attend the synchronous online sessions, I know that large time zone differences may be an obstacle for some students. So I will count conversations students have outside of class about course material toward class participation. If you have a conversation with another student or a group of other students and email me a brief description of what you

talked about (with “LGST 226 participation” in the subject), I will give you and your classmates participation credit.

Grades for participation will be based on both the frequency and the quality of active participation. Any sincere effort to help the class think through the material is potentially valuable, including mistakes, tentative suggestions, devil's advocacy, and requests for clarification. It probably won't help your participation grade to say things that sound good without caring if they're true, to pretend to have read the day's readings when you haven't, or to attempt to dominate discussion.

### *Questions on the Reading*

To help guide you through the readings, I will ask you to write out short answers to a few questions on each of the reading assignments. Answers to questions on the reading are due on Canvas before every class except for the first session, which has no reading assignment, the session on March 8 (which has optional reading), and the session on March 29 (which has assigned reading but no written questions due to Passover). Answers to questions on the reading must be submitted on time to receive credit.

Answers to questions on the reading will be graded S/U. To get full credit for the “Questions on the Reading” part of your grade, you will need to turn in answers on most class days. You may skip five sets without penalty, though you should still do the reading on days that you skip the QR assignment. (Since there are 24 days with QRs assigned, you will have to turn in 19 QR assignments to get full credit.) I will not give written feedback on these assignments, but you are welcome and encouraged to discuss your answers to questions on the reading with me in office hours. We will always discuss the questions on the reading in class.

### *Papers*

For the first paper, I will offer several possible topics from which you may choose. You will develop your own topic for the second paper. I will give you guidance about how to do this. Both paper assignments will address normative questions, questions about what actions, institutions, or social practices are good or bad, right or wrong, just or unjust, desirable or undesirable. Papers should not focus on

describing the economic world as it is or has been. A paper for this course might explain an argument we discussed, offer an objection to the argument, and attempt to resolve the problem. Or a paper might critically evaluate a dispute between two authors we have studied. Or a paper might apply one of the normative theories we have discussed to a contemporary social question.

Grades for paper assignments will be on an absolute scale. I will not use a curve. The main criteria for the evaluation of papers will be the clarity of the writing and organization, the accuracy and charity of the presentation of others' views and arguments, and the effectiveness of critical discussion. Papers should be submitted to Canvas and automatically checked with Turnitin. Unexcused late papers will be penalized 1/3 of a letter grade per day late, including weekend days.

### **Academic integrity**

Information on academic integrity will be available on the course website. Students are expected to know and comply with University regulations regarding academic integrity.

If you use or discuss someone else's ideas—including ideas you get from discussing the course with classmates, friends, or family—you must cite the source. If you use someone else's words, you must clearly identify the quotation as a quotation, and you must cite the source. You are always welcome to speak with me about when it is necessary to cite a source. If you must make a last-minute decision about citation, it is better to cite too much rather than too little.

Dual submissions are not allowed in this course. No part of any assignment for this course may consist of work that you (or others) have submitted for assignments in other courses, at the University of Pennsylvania or elsewhere.

Though you are welcome and encouraged to discuss the readings with other students in the course, you should write up answers to the "Questions on the Reading" assignments on your own.

## Virtual tea

I plan to organize some small group video chats in the first month of class. These are not in any way required. They're an opportunity for me to get to know you and your interests better, and for you to get to know some of your classmates. Each meeting will be capped at seven students. I will provide a sign-up sheet on Canvas, with a variety of times available (to accommodate students in different time zones).

## Tentative schedule of readings

The dates listed are the dates reading assignments are due. For some reading assignments, you will not have to read the whole of the article that is posted online. Please look at the daily "Questions on the Reading" assignment on Canvas (even if you are not writing up answers that day) for page numbers and advice about where to focus.

I may adjust the reading list in later units in response to the interests students express earlier in the term.

### *Unit 1: Two economic utopias*

January 20: Introduction to the course (no assigned reading)

January 25: The ideal of economic equality

G. A. Cohen, *Why Not Socialism?* Chapters I-III

January 27: What distinguishes capitalism from market socialism?

G. A. Cohen, *Why Not Socialism?* Chapters IV-V

Jason Brennan, *Why Not Capitalism?* pp. 3-46

February 1: The ideal of economic liberty

Jason Brennan, *Why Not Capitalism?* pp. 47-99

### *Unit 2: Markets and freedom*

February 3: A libertarian view of economic freedom

Robert Nozick, *Anarchy, State, & Utopia*, pp. 150-74, 262-5

February 8: Economic freedom for the poor

G. A. Cohen, "The Structure of Proletarian Unfreedom"

February 10: A classical liberal view of economic freedom

Friedrich Hayek, *The Constitution of Liberty*, Chapters II and III

*Unit 3: Markets and equality*

February 15: Justice, capitalism, and inheritance

D. W. Haslett, "Is Inheritance Justified?"

February 17: Are liberty and equality compatible? Left-libertarianism

Michael Otsuka, "Self-Ownership and Equality: A Lockean Reconciliation"

February 22: A universal basic income?

Philippe Van Parijs, "Why Surfers Should be Fed: The Liberal Case for an Unconditional Basic Income"

February 24: Economic equality and democratic citizenship

Elizabeth Anderson, "What is the Point of Equality?" pp. 287-289, 312-337.

*Unit 4: Capitalism, history, and efficiency*

March 1: Inequality in the history of capitalism

Cedric Robinson, "Racial Capitalism: The Nonobjective Character of Capitalist Development"

March 3: Economic inequality in contemporary societies

Thomas Piketty, *Capital in the Twenty-First Century*, pages TBD

March 8: Conceptions of efficiency

Optional reading (no written QR): Daniel Bernoulli, "Exposition of a New Theory on the Measurement of Risk"

(March 10-11 are Spring Break)

*Unit 5: Coercion and exploitation in the market*

March 15: Threats, offers, and warnings

Robert Nozick, "Coercion," pages TBA

March 17: Can job offers be coercive?

David Zimmerman, "Coercive Wage Offers"

March 22: Exploitation and its regulation

Alan Wertheimer, *Exploitation*, pp. 3-34, pp. 296-309

March 24: Another view of exploitation

Ruth Sample, *Exploitation: What It Is and Why It's Wrong*, pp. 55-96

March 29 (No written QR due to Passover): Exploitation in drug pricing

Robert Hughes, "Pricing Medicine Fairly"

March 31: Exploitation, sweatshop labor, and payday lending

Jeremy Snyder, "Exploitation and Sweatshop Labor: Perspectives and Issues"

### *Unit 6: Ethical limits of markets*

April 5: Noxious markets

Debra Satz, *Why Some Things Should Not Be for Sale*, pp. 91-112, 189-205

April 7: Are there things that *can't* be sold?

Elizabeth Anderson, "Ethical Limitations of the Market"

April 12: NO CLASS

April 14: Inalienability and Selling parental rights

Margaret Jane Radin, "Market-inalienability"

*In re Baby M*

April 19: Education markets and problematic incentives

Daniel Halliday, "Private Education, Positional Goods, and the Arms Race Problem"

### *Unit 7: Markets and democracy*

April 21: Is money speech?

John Rawls, *A Theory of Justice*, § 39

Excerpts from *Buckley v. Valeo*, *Citizens United*

April 26: Vote-selling and self-interested voting

Steven Reiber, "Vote Selling and Self-Interested Voting"

Greg Mankiw, "On Selling Votes"

April 28: Markets and political influence

Thomas Christiano, "The Uneasy Relationship Between Democracy and Capital"