

LGST 226: Markets, Morality, and Capitalism

Robert Hughes

Spring 2022 Syllabus

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Class meetings: MW 1:45pm-3:15pm, JMHH F55

Instructor office hours: JMHH 668, W 3:30-4:30, or over Zoom by appointment

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?

Class Format and Classroom Policies

I expect most class sessions to be held in person. Our first two sessions, on January 12 and January 19, will be held over Zoom. We will hold other sessions via Zoom if I get a Red Pass or if University policy requires it for other reasons.

When we hold sessions over Zoom, I encourage you to keep your camera on if your circumstances allow. Please be ready to participate actively. Opportunities for participation will include small group discussions, PollEverywhere questions, and discussions with the full class. To answer PollEverywhere questions, you will need access to a web browser or a phone with SMS. For full class participation, please use the chat feature of Zoom to share your thoughts or to raise your hand. Please do not use the “Raise Hand” feature. (I can only keep track of one queue.)

When we hold sessions in person, you should have a phone or a tablet available to answer PollEverywhere questions. I will ask you to refrain from using electronic devices in class when we are not using PollEverywhere. I do this partly because of empirical evidence that students perform better on conceptual questions if they take notes longhand, rather than typing. If you have a disability that requires you to take notes on a computer, or if you have *really* bad handwriting, come talk to me. Whenever there are blocks of text you will need in your notes, I will put them on the slides.

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 **Friday, February 25, at 2pm**)
- 40% Second paper (2400-3000 words, due **Monday, May 2 at 2pm**)

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.

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.

In assessing participation, I take into account whether absences are excused. Please let me know if you have to miss class for a good reason (e.g., an illness, a Red Pass, a family emergency). The Course Absence Report system is a good way to do this.

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 2 (which has optional reading), and the session on March 28 (which has required reading but no QR). 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 25 days with QRs assigned, you will have to turn in 20 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.

Tentative schedule of readings

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 12: Introduction to the course (no assigned reading)

January 19: The ideal of economic equality

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

January 24: What distinguishes capitalism from market socialism?

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

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

January 26: The ideal of economic liberty

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

Unit 2: Markets and freedom

January 31: A libertarian view of economic freedom

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

February 2: Economic freedom for the poor

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

February 7: A classical liberal view of economic freedom

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

We will also talk about the prompt for the first paper in this class session.

Unit 3: Markets and equality

February 9: Justice, capitalism, and inheritance

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

February 14: Are liberty and equality compatible? Left-libertarianism

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

February 16: A universal basic income?

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

February 21: Economic equality and democratic citizenship

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

Unit 4: Capitalism, history, and efficiency

February 23: Inequality in the history of capitalism

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

February 28: Economic inequality in contemporary societies

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

March 2: Conceptions of efficiency

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

SPRING BREAK

Unit 5: Coercion and exploitation in the market

March 14: Threats, offers, and warnings

Robert Nozick, "Coercion," pages TBA

March 16: Can job offers be coercive?

David Zimmerman, "Coercive Wage Offers"

March 21: Exploitation and its regulation

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

March 23: Another view of exploitation

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

March 28: Exploitation in drug pricing (required reading, no QR)

Robert Hughes, "Pricing Medicine Fairly"

March 30: Exploitation, sweatshop labor, and payday lending

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

Unit 6: Ethical limits of markets

April 4: Noxious markets

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

April 6: Are there things that *can't* be sold?

Elizabeth Anderson, "Ethical Limitations of the Market"

April 11: Inalienability and Selling parental rights

Margaret Jane Radin, "Market-inalienability"

In re Baby M

April 13: Education markets and problematic incentives

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

Unit 7: Markets and democracy

April 18: Is money speech?

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

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

April 20: Vote-selling and self-interested voting

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

Greg Mankiw, "On Selling Votes"

April 25: Markets and political influence

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

April 27: Ethical consumerism and democracy

Waheed Hussain, "Is Ethical Consumerism an Impermissible form of Vigilantism?"