Ethical, Moral and Philosophical Foundations of Capitalism

Instructors Information
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Office Hours
T/Th 10:45AM-12:15PM
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M/W 2:00PM-3:00PM
or By Appointment

Tentative Course Schedule: The instructor reserves the right to change the syllabus and assigned readings in consultation with the students; however this outline and list of readings represents a good example of the scope of the readings that would be required from class participants.

Class Description: This course is designed to explore the moral, ethical, and economic foundations of a capitalist system. The vehicle we will use for this pilgrimage is Ayn Rand’s fictional novel, “Atlas Shrugged.” Ms. Rand was the founder of objectivist philosophy and a strong proponent of laissez faire capitalism. In “Atlas Shrugged,” Rand stakes her position that capitalism is the only economic system that leads to a moral and just society.

As we work our way through the novel we will use additional materials to give you both supporting and contrasting viewpoints. These additional materials will include addresses, speeches, interviews, video documentaries, guest speakers, and various readings. Many of the interviews, speeches and addresses are available on YouTube. The idea is to expose you to as broad a view as possible while keeping your workload to a manageable level.

Section 1: Introduction and Course Overview

A Few Definitions and Measures
- What is morality and ethics
  1. Adam Smith, Theory of Moral Sentiment, ch1, Part 1 and 4.
  2. Yaron Brook, http://www.youtube.com/watch?v=CYU8KZz91OA
- Milton Friedman interview. http://www.youtube.com/watch?v=RWsx1X8PV_A
- Ayn Rand, Atlas Shrugged, Part I Ch.1-2

PART 1: FOUNDATIONS OF CAPITALISM
Section 2: Classical Economics
- Adam Smith. *The Wealth of Nations*. Book I, Ch 1-3; Book IV, Ch 2.
- Ayn Rand, *Atlas Shrugged*, Part I Ch.3-4

Section 3: Government (The Big “G”)
- Locke, *Of Civil Government*, Ch 2 and 9
- Ayn Rand, *The Virtue of Selfishness*, Ch 14
- Ayn Rand, *Atlas Shrugged*, Part I Ch.5-6

Section 4: Economic Views of the Government and Capitalism
- Brook Yaron, President of the Ayn Rand Foundation, Presentation: 
P1. [http://www.youtube.com/watch?v=aoU_64zEiRE](http://www.youtube.com/watch?v=aoU_64zEiRE)
P2. [http://www.youtube.com/watch?v=YCx_mRC92bk&feature=related](http://www.youtube.com/watch?v=YCx_mRC92bk&feature=related)
P3. [http://www.youtube.com/watch?v=-veryOu60uY&feature=related](http://www.youtube.com/watch?v=-veryOu60uY&feature=related)
P5. [http://www.youtube.com/watch?v=ZmpKMTIX4k8&feature=related](http://www.youtube.com/watch?v=ZmpKMTIX4k8&feature=related)
P6. [http://www.youtube.com/watch?v=-veryOu60uY&feature=related](http://www.youtube.com/watch?v=-veryOu60uY&feature=related)
P7. [http://www.youtube.com/watch?v=to4d8WD-Ons&feature=related](http://www.youtube.com/watch?v=to4d8WD-Ons&feature=related)
P8. [http://www.youtube.com/watch?v=tWPVEJmygas&feature=related](http://www.youtube.com/watch?v=tWPVEJmygas&feature=related)
P9. [http://www.youtube.com/watch?v=BIJ0Ex8-5-0&feature=related](http://www.youtube.com/watch?v=BIJ0Ex8-5-0&feature=related)
P10. [http://www.youtube.com/watch?v=_8ITFYLIhQ&feature=related](http://www.youtube.com/watch?v=_8ITFYLIhQ&feature=related)
- Ayn Rand, *Atlas Shrugged*, Part I Ch.7-8

Section 5: The Critics of and Defenders of Capitalism and of the Purely Free Market
- Karl Marx and Friedrich Engels. *The Communist Manifesto*. (Chapters 1, 2, and 4)
- Noam Chomsky: [http://www.youtube.com/watch?v=HFxYyXGMfZM&NR=1](http://www.youtube.com/watch?v=HFxYyXGMfZM&NR=1) [http://www.youtube.com/watch?v=fOIM1_xOSro&feature=related](http://www.youtube.com/watch?v=fOIM1_xOSro&feature=related)
- F. A. Hayek, *The Road to Serfdom* (selections from)
- David Henderson, *the Joy of Freedom*, Ch 1, 8
- Jagdish Bhagwati, *Why the Critics of Free Trade and Globalization are Mistaken* 
  - [http://www.tagesspiegel.de/zeitung/Sonderthemen;art893,2613355](http://www.tagesspiegel.de/zeitung/Sonderthemen;art893,2613355)
  - [http://www.law.upenn.edu/cf/newsroom/videoaudio/whyRecentCritiquesOfFreeTradeAreMistaken.html](http://www.law.upenn.edu/cf/newsroom/videoaudio/whyRecentCritiquesOfFreeTradeAreMistaken.html)
- Ayn Rand, *Atlas Shrugged*, Part I Ch.9-10
Section 6
- Ayn Rand, Atlas Shrugged, Part II Ch.1-3

PART II: CAPITALISM AND DEVELOPMENT

Section 7: Development
- Income convergence (Barrow, Solow)
- Paul Krugman – Income Inequality and the Middle Class http://www.youtube.com/watch?v=5kwA-CwFK5A&feature=related
- Ayn Rand, Atlas Shrugged, Part II Ch.4-6

Section 8: Economic voting
- Voting with your feet http://www.youtube.com/watch?v=YewL0BoL1Lk
- The Tiebout Hypothesis and Public Goods
- Ayn Rand, Atlas Shrugged, Part II Ch.7-8

Section 9
- Ayn Rand, Atlas Shrugged, Part II Ch.9-10

PART III: THE WELFARE STATE

Section 10: Distribution and Inequality
- Ayn Rand, Atlas Shrugged, Part III Ch.1-3

Supplementary Readings and Discussion Papers:


**Section 11**
- Ayn Rand, Atlas Shrugged, Part III Ch.4-6

**Section 12: “Can capitalism survive?”**
- Paul Krugman – Income Inequality and the Middle Class
- Ayn Rand, Atlas Shrugged, Part II Ch.7-8

**Section 13**
- Ayn Rand, Atlas Shrugged, Part III Ch.9-10

**Points**

| Presentations (3-4 per person): | 60 |
| Response and Discussion: | 10 |
| Paper: | 20 |
| Final Exam: | 10 |

100 points