



Business 33250/33251

Spring 2025

PERSPECTIVES ON CAPITALISM

(developed by Robert Gertner and James Carmichael)

COURSE DESCRIPTION

Capitalism ties the world together. It also divides us in fractious debate. The term carries many meanings and is used to describe societies whose economic, political, and civil institutions differ significantly. Compare, for instance, "capitalism" in the United States, China, and Denmark today — are the similarities or the differences more important?

Meanwhile, critiques of capitalism—whatever, precisely, that means to the speaker—are voiced along the entire political spectrum, sparking heated debate about inequality, opportunity, corporate (mis)behavior, political capture, financial (in)stability, consumerism, and environmental degradation. Proposals abound to *rethink* "capitalism", and mainstream leaders routinely question whether market-driven economic activity is the best route towards prosperity and dignity.

The University of Chicago is part of this debate. Historically, the University is closely associated with the intellectual legacy of free-market capitalism as laid out by thinkers such as Friedrich Hayek and Milton Friedman. Today, however, Chicago is home to scholars of diverse and nuanced perspectives on the benefits and drawbacks of decentralized private markets.

The goal of this course is to examine this rich spectrum of perspectives through the lens of another great legacy of this university: intellectual inquiry rooted in substance and conducted through open and thoughtful discourse. The course seeks to equip Chicago Booth students with tools that will help them productively engage important and sometimes contentious debates that touch every aspect of each of our lives.

As such, the course seeks to provide an even-handed survey of the economic, social, and intellectual history of capitalism, as well as the challenges and opportunities facing capitalist societies today. The course syllabus relies on a mix of historical readings, contemporary academic and journalistic work, and guest lecturers who will contextualize "big questions" from their own research. The course will, thus, follow two parallel paths. The main path is the readings and weekly seminars: small-group discussions to examine the readings in detail. Each seminar section will consist of 12 students (or fewer) working with a single faculty member over the course of the quarter. In seminar, faculty will *not* lecture; rather, they will facilitate discussion. Alongside this, weekly guest lectures will bring the entire class together to hear—and put questions to—visiting scholars. The breadth of topics that the course will thus cover is *wide*; we could make each week into its own course. Each seminar session will nonetheless seek to dig deeply into some selection of that week's (many) questions. We want to help prepare you, as Chicago Booth MBAs, to rigorously and humanely address issues which you will face throughout your careers.

COURSE POSITIONING

The University of Chicago plays an important role in the intellectual and social history that this course engages. It is difficult to seriously address questions about capitalism ("what *is* it?" "is it working well?" "can we improve it?") without responding to a model of the economy and human behavior associated with this university. This model assumes—and, often, *asserts*—that rational individuals operate in self-interested competition to constitute markets which are generally efficient and value-optimizing; an operational

corollary to this model is that these rational individuals often function within corporations whose sole responsibility is to maximize profits for their shareholders. This free-market framework gained influence throughout the 1970s and 1980s and it informed the centrist consensus that characterized the Great Moderation of the 1990s and early 2000s.

The last couple of decades have challenged all that. The financial crisis of 2008, climate change, labor market dislocations, and the COVID-19 pandemic have contributed, today, to political and social ructions all over the world. There is a widespread perception in many countries and from people of otherwise varied convictions that unregulated markets are *not* value-optimizing, unless one takes a limited view of what's valuable. There is a perception that "capitalism" harms all but a privileged few.

This zeitgeist is reflected in courses now offered at many of Booth's peer institutions. It is partly why *this* course exists. We hope, however, to offer something that reflects this university's distinctive culture of inquiry. This course does *not* begin from the conclusion that central aspects of capitalism have failed or are fundamentally flawed; this course does *not* begin from the implicit assertion that the corporation and its role in society must be reimagined. To be clear, this course *also* does *not* begin from a position of reflexive loyalty to the laissez-faire principles with which the University of Chicago has, in the past, been associated. **The point of this course is that it is uncertain.** This course will engage with "the Chicago school" of economics, yes; it will, also, update and challenge that tradition with current thinkers—including many from this university—who have critiqued it. This course seeks to interrogate important uncertainties about how our world works through empirical data, rigorous analysis, and open discussion. It will seek to offer an unsentimental, evidence-based approach to questions on which there may be no "right" answer: questions about market efficiency, stakeholder capitalism, corporate responsibility, and how to reimagine—or *not* reimagine—the consensus around market-driven democracy that has guided public and private life throughout much of the world for the last sixty years.

What does all that mean for you, a Booth student? The course requirements are laid out below. Taken together, these requirements constitute an experience that is interrogative, brainy, academic and open-ended. We hope that any student who takes "Perspectives on Capitalism" will emerge with a set of, well, *perspectives* on capitalism, as well as an enhanced toolkit for assessing any such perspective. We hope that you will finish this course with more questions than answers; with a renewed regard for the power of markets to create both prosperity and havoc; and, with a sharpened skepticism regarding the assumptions embedded within a capitalistic society. Most of all, we hope that this course will help you subject your own priors—now and in the future—to the kind of informed scrutiny from which any reasoned argument benefits.

COURSE REQUIREMENTS AND GRADING

Take this course if you want to do a lot of reading and then talk about that reading at length and in detail. This class is about actively engaging substantive texts, first on your own and then in dialogue with your classmates in seminar. That foundation—reading, discussion—will be augmented by guest lecturers whose scholarship offers varied perspectives on the course's topics.

This means that **every student's engagement with the readings is critical to every other student's experience of this course.** Seminar attendance and engagement are required and heavily weighted in the grading rubric; similarly, lecture attendance is considered part of participation and is required of all students enrolled in in-person sections. (Remote students' arrangement will be explained in seminar.)

Students are also required to **write two (very) short responses each week:** one for the readings to spark seminar discussion, and one for the lecture. In the final weeks of the course, small groups of students will prepare **country studies** for presentation to their seminar peers. Finally, each student

will write a **brief final essay** at the course's conclusion. Details on each of these assignments is below.

The grading rubric is as follow:

Participation: seminar contributions, verbal and written	70%
Written lecture responses (weekly)	10%
Country Study	10%
Final Essay	10%

The Honor Code for this course is Booth's standard requirements with the following specifications:

- DO *talk* to your classmates as much as you like about the readings or lectures
- DO NOT share any *written* work with your classmates before its submission (or, relatedly, avail yourself of any written work that a classmate has produced before submitting your own)
- DO NOT write about any reading that you have not *read yourself* or any lecture that you have not *yourself attended* (or, for remote students, viewed online)

The course's permitted uses of LLMs reflect this honor code. The course features many challenging readings, and we recognize that 'chatting' with an LLM about a reading that you have done may be part of your good-faith academic efforts. Please note that you *do* have a 'Reading Guide', described a few sections below, for this purpose — but we certainly don't mind if you seek insight with a more interactive interlocutor. Please remember, however, that this is not a course about 'takeaways'; it is a course about substantively engaging with challenging ideas as these ideas are expressed in particular texts. In other words: **do the readings, do your own thinking, do your own synthesizing, and do your own writing. In this spirit, the course's rules for LLM use are as follows:**

- You may 'chat' with an LLM about readings you have done or lectures you have listened to
- You must cite any such use of an LLM in your weekly writing assignments
- You may not submit any actual prose offered by an LLM as part of your own writing assignments, even with citation; your written assignments must be wholly your own work

Weekly readings

Please be aware that **this course is *about* the readings, of which there are a lot. Each week will require 6 - 8 hours of engagement with texts, many of which you may find challenging.** The course's reading list is not typical of business school; it is a multidisciplinary offering drawn from economics, history, sociology, and philosophy, while management theory is largely ignored.

Weekly written responses

Both of the required weekly written responses—a response to the readings and a response to the lecture—are short and simple by design. They are meant to give you an opportunity to gather your own thoughts and to help focus seminar discussion, rather than as writing exercises in their own right.

The weekly written response to the readings is a 50- to 250-word answer to the following prompt: "What do you want to talk about in seminar and why?"

The weekly written response to the lecture is a 50- to 250-word answer to the following prompt: "What question did the lecture make you want to ask and why?" (Note that most lectures will have actual Q&A at the end, so if 'your' question got asked—especially if you asked it—you should feel free to write about that!)

Different seminar instructors may handle feedback and grading for these assignments differently, but they are required in *all* seminars.

Country study presentations

For the country studies, small groups of seminar-mates will join forces to research and prepare a presentation on some specific aspect of a particular country's economy. Once again, we are emphasizing specificity. There isn't time either to research or to present a useful overview of any nation's *whole* economy (!). Rather, a successful country study will focus on some *specific, distinctive aspect* of a particular nation's political economy and connect that *specificity* to broader issues that we have addressed throughout this course.

Different seminar instructors may handle the mechanics of selecting the countries and allocating students to teams differently. Your seminar instructor may, also, choose to add some time to one session (probably week 8) in order to accommodate these country studies. If they do, they will consult with your section about this possibility to assess everyone's availability.

Each country-study team will receive a single collective grade.

All of the Honor Code and LLM rules outlined above apply to this assignment.

Final essay

Each student, individually, will write an essay of approximately 1000 words that summarizes their views with respect to one or more major themes in the course. **The point here is *not* to offer an academic summary. The point here is, rather, to share your informed contact with that topic as it was manifested in the specific course readings, including challenges that you may still be grappling with.**

There are many ways to approach this assignment. In the past, some students have shared how their own backgrounds and experiences have shaped their values and how the course's readings, lectures, and discussions challenged or reaffirmed these priors. We encourage you to approach the assignment in a manner that builds on your experience of the course. Whatever approach you choose, successful essays will explore *rigorously subjective* perspectives on capitalism; a successful final essay will express clear recognition of the *normative* features of these topics while bringing *rigorous analysis*—including course content and your own synthesis of it—to bear on the topic.

All of the Honor Code and LLM rules outlined above apply to this assignment.

FACULTY

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COURSE LOGISTICS

ADMINISTRATIVE STRUCTURE

This is a 100-unit course. However, for administrative reasons it is structured as two separate courses. The guest lectures portion is 33250, is a 0-unit course, and will be "taught" by Robert Gertner. The seminars are 33251-XX, are 100-unit courses, and will be taught by the seminar faculty listed above. **Students must take both 33250 and 33251; each student will be graded by their seminar instructor, based on the criteria above. Students who bid successfully for 33251 will automatically be enrolled in 33250. If you are in a remote section of 33251, you will be enrolled in the remote section of 33250 and be expected to join the lectures remotely (live or asynchronously). If you are in an in-person section of 33251, you will be enrolled in the in-person section of 33250 and be required to attend the lectures in person.** Students enrolled in an in-person seminar will not be able to attend lectures remotely or to watch recordings except by arrangement with their seminar instructor, which will only be made in cases of special circumstances.

READING GUIDE

In addition to the discussion topics provided for each week in the syllabus, this course uses a separate "Reading Guide" document, which you can find on Canvas. **You will need to make continual use of the Reading Guide; it is your logistical and substantive guide to the course's main content: the readings.** The Reading Guide serves the crucial logistical purpose of guiding you to the excerpts you will need to read. Most readings in the course are excerpts (we're not expecting you to read entire books or academic papers). The Reading Guide will also provide context and questions for most of the readings; it will draw connections between various readings' points of agreement and disagreement; it will serve as a reminder when readings from *prior* weeks come up again.

SURVEYS

Prior to the first class, students will complete a survey regarding their views on capitalism. We will discuss the results in the first seminar session. Students will complete the survey again at the end of the course to see whether and how views may have changed.

PURCHASING BOOKS

The one book you should purchase is *The Company* by John Micklethwait and Adrian Wooldridge. It will not be available at the bookstore so please order it on your own. All other readings will be available through the Canvas site.

WEEKLY SCHEDULE

WEEK 1 MARCH 24 – MARCH 30

Guest lecture (March 26): Kevin Murphy, George J. Stigler Distinguished Service Professor of Economics Emeritus, Chicago Booth and Kenneth C. Griffin Department of Economics

Discussion topics: What is capitalism? What important differences exist between different "capitalist" systems?

- What are the defining characteristics of "capitalism"?
- How does the history that led to what we now call capitalism inform our understanding of its key features?
- People who seek to praise "capitalism"—and, often, people who seek to critique it—invoke Adam Smith's name as synonymous with it. Reading Smith's actual writing, what do you find most prescient? What, on the other hand, do you find least applicable to "capitalism" as you understand it?
- What is socialism? How does it differ from capitalism? What do we mean when we say that a "capitalist" society is more or less "socialist"?
- What are the most significant economic and social differences between modern capitalist societies?

READINGS

Historic precursors and global context

["China and Europe, 1500–2000 and Beyond: What Is "Modern?"](#) AFE Online Course

["Capitalism in Medieval Islam,"](#) Labib, *Journal of Economic History* (1969)

["The persistence of technological creativity and the Great Enrichment: Reflections on the 'Rise of Europe',"](#) Mokyr, blog post (2017)

The Company: A Short History of a Revolutionary Idea, Micklethwait & Wooldridge (2003)

The Classical Economists Revisited, O'Brien (1975)

"capitalism": defining, describing, and prescribing it

The Wealth of Nations, Smith (1776)

The Principles of Political Economy and Taxation, Ricardo (1817)

Capitalism, For and Against, Cudd and Holmstrom (2011)

...versus "socialism" (another slippery term)

The Communist Manifesto, Engels & Marx (1848)

Chapters on Socialism, Mill (1879)

Capitalism's many contemporary variations

["The Legatum Prosperity Index: Sixteenth Edition,"](#) Legatum Institute (2023)

WEEK 2**MARCH 31 – APRIL 6****Guest lecture (April 2): Kimberly Kay Hoang, Professor of Sociology and the College****Discussion topics: What does capitalism do well? What does capitalism do poorly?**

- What are the benefits of a capitalist system?
- What are the drawbacks of a capitalist system?
- To what extent does capitalism itself—rather than greed and other fundamental features of human behavior—lead to negative outcomes that are often associated with capitalist societies?
- The question above, but about the good stuff: to what extent does capitalism itself—rather than inventiveness and other fundamental features of human behavior—drive improvements in well-being that are often associated with capitalist societies?
- How does capitalism interact with globalization and innovation to create prosperity? How does capitalism interact with globalization and innovation to create precarity?
- What is the relationship between capitalism and freedom? Can you have one without the other? Why are these concepts often associated?
- Does capitalism present an inexorable tradeoff between materialistic values (e.g., the attainment of property) and non-materialistic values (e.g., local community ties)?

READINGS**Efficiency, but inequality**

- "[The Use of Knowledge in Society](#)," Hayek, *The American Economic Review* (1945)
- "[The Free Food Market](#)," *Planet Money* (2017)
- "[The 1991 Project: the quest for economic freedom in India](#)," Rajagopalan, Mercatus Center at George Mason University
- Equality and Efficiency: The Big Tradeoff*, Okun (1975)

Growth and innovation, but precarity

- Foundational data on growth, health, and poverty, [Our World in Data](#)
- Remarks on growth and innovation, Kevin Murphy, lecture for "Perspectives on Capitalism" (2023)
- "[Daron Acemoglu on Innovation and Shared Prosperity](#)," *EconTalk* (2023)
- Janesville: an American Story*, Goldstein (2017)

Globalization, but exploitation

- "[Adding Up The Cost Of The Planet Money T-Shirt](#)," *Planet Money* (2013)
- A Brief History of Equality*, Piketty (2021)
- Made in China: A Prisoner, an SOS Letter, and the Hidden Costs of America's Cheap Goods*, Pang (2021)

Individual freedom, but loss of collective and non-market values

- Capitalism and Freedom*, Friedman (1962)
- Remarks on GDP, Robert Fitzgerald Kennedy, [speech at The University of Kansas](#) (1968)

WEEK 3**APRIL 7 – APRIL 13**

Guest lecture (April 9): Luigi Zingales, Robert C. McCormack Distinguished Service Professor of Entrepreneurship and Finance, Chicago Booth

Discussion topics: The modern corporation – history, structure, and purpose

- What are the essential components of the modern corporation?
- Why was the development of modern corporate structures of ownership, liability, and governance so important for the development of capitalism?
- Does the corporation owe society anything more than taxes and adherence to the law? What do you think is the most compelling argument for answering 'yes'? What do you think is the most compelling argument against doing so?
- What role can workers or customers play in shaping the "purpose" of a corporation? What role do you feel they should play in doing so? (You may, of course, have different answers regarding workers and customers in this respect.)
- How do social norms shape corporate behavior?
- Should companies take political positions? If so, under what circumstances and what should guide their positions?

READINGS

The rise of the modern corporation

- "Why Companies Are Now Necessary," *The Economist* (1856)
- [Utopia, Limited; or The Flowers of Progress](#), Gilbert & Sullivan (1893)
- The Company: A Short History of a Revolutionary Idea*, Micklethwait & Wooldridge (2003)

The purpose of the corporation

- [The Social Responsibility of Business is to Increase its Profits](#), Friedman, *New York Times* (1970)
- "Bill Gates and Warren Buffet Discuss 'Creative Capitalism,'" in *Creative Capitalism: A Conversation with Bill Gates, Warren Buffet, and Other Economic Leaders*, Kinsley, editor, with Clarke (2008)
- [A Fundamental Reshaping of Finance](#), Larry Fink's annual letter to CEOs (2020)
- [The Power of Capitalism](#), Larry Fink's annual letter to CEOs (2022)

Re-"purposing" the firm: the influence of social norms

- [Analects and Abacus](#), *The Economist* (2021)
- The Company: A Short History of a Revolutionary Idea*, Micklethwait & Wooldridge (2003)
- [How And Why Disney Decided To Publicly Oppose 'Don't Say Gay' Legislation](#), Segal, *Forbes* (2022)
- [The Great Google Revolt](#), Scheiber & Conger, *The New York Times* (2020)
- [On the board, 'twokenism' is the new tokenism](#), Milkman, Chugh, Akinola & Chang, *The Washington Post*'s "wonkblog" (2018)

WEEK 4**APRIL 14 – APRIL 20**

Guest lecture (April 16): Jonathan Levy, Professor Sciences Po, formerly James Westfall Thompson Professor of US History, Fundamentals, Social Thought, and the College, University of Chicago History Department

Discussion topics: Corporate ownership, governance, and purpose

- For a corporation, should maximizing shareholder value mean maximizing shareholders' financial value *exclusively*, or should 'shareholder value' also contemplate *other* goals that shareholders may have? What is the best argument for the stricter definition? What is the best argument for the more open one?
- How *feasible* is a corporate strategy that contemplates a broader assessment of 'shareholder value'? Under modern corporate governance structures, how can shareholders in public companies communicate their values to those companies? Are shareholders of *private* corporations in a substantively different position?
- Can social purpose guide a corporation's strategy? If so, how?
- How can stakeholders other than shareholders be incorporated into corporate governance structures? *Should* stakeholders other than shareholders be incorporated into governance structures? If so, should this inclusion be voluntary or required by law?
- What different forms of corporate ownership exist? How do these different forms alter the corporation's purpose and strategy? What tradeoffs are evident between varied forms of ownership?
- Should society favor some corporate forms over others?

READINGS

Re-'purposing' the firm: shareholder influence

- "[Shareholders Don't Always Want to Maximize Shareholder Value](#)," Hart, *ProMarket* (2020)
- "[Climate change has made ESG a force in investing](#)," *The Economist* (2019)
- "[The Smoke and Mirrors of ESG Investing](#)," *Capitalism* (2021)
- "[The little Engine that could](#)," *The Economist* (2021)
- "[Why One-Time Exxon Adversary's Board Picks Backed Mega Deal](#)," *Bloomberg* (2024)

Re-'purposing' the firm: stakeholder influence, governance forms

- "What Does Codetermination Do?" Jager, Noy, & Schoefer, *ILR Review* (2022)
- "Who Controls OpenAI?," Levine, *Bloomberg* (2023)
- "[Why Musk Is Right About OpenAI](#)," Zingales, *Promarket* (2024)

Re-'purposing' the firm: legal structure and ownership

- "[The Organization of Social Enterprises](#)," Gertner, *Annual Review of Economics* (2023)
- "[The legal requirement for Certified B Corporations](#)," and Patagonia's "[Benefit report](#)"
- "Inside the Revolution at Etsy," Gelles, *The New York Times* (2017)
- "For Owners Looking to Sell, an Option That Keeps Their Company Intact," Sullivan, *New York Times* (2020)
- "Co-ops in Spain's Basque Region Soften Capitalism's Rough Edges," Goodman, *New York Times* (2020)

WEEK 5**APRIL 21 – APRIL 27****Guest lecture (April 23): Michael Greenstone, Milton Friedman Distinguished Professor in Economics, the College, and the Harris School****Discussion topic: Market failures and ways to address them (week one of two)**

- What failures are associated with markets, *i.e.*, systems in which decentralized transactions are conducted by self-interested agents in states of both competition and cooperation?
- How can an emphasis on cooperation between such agents mitigate some market failures? What are the circumstances, if any, under which such cooperation is sustainable?
- How can the state—*i.e.*, a centralized authority—mitigate some market failures? What fundamental *limitations* may hamper the state's ability to effectively address market values? What are the circumstances under which such intervention is most likely to be beneficial?

READINGS**Some ways in which markets can fail**

- "A primer on market failures," Reading Guide
[The Magic Shoebox](#), Lewis, *Against the Rules* podcast (2019)
[Whatever Happened to the Great Moderation?](#) Furman, remarks at Hyman P. Minsky Conference (2014)

Some ways in which markets can un-fail themselves

- Governing the Commons*, Ostrom (1990)
[The Problem of Social Cost](#), Coase, *The Journal of Law & Economics* (1960)
Reimagining Capitalism in a World on Fire, Henderson (2020)

Some ways in which states can intervene to avoid market failures

- [State Capacity](#), Herre, Ariagada, and Roser, *Our World in Data* (2023)
[The Regulation of Lead Exposure: A Medium-Specific Success Story](#), McHenry, *Natural Resources and Environment* (2006)
"Why We Don't Have a Carbon Tax," Krugman, *New York Times* newsletter (2022)
"Regulation by enforcement," Levine, *Money Stuff* newsletter (2024)

Some ways in which state intervention can fail

- [The Theory of Economic Regulation](#), Stigler, *Bell Journal of Economics and Management Science* (1971)
[Tax Hero](#), *Planet Money* (2017)
"There Has to Be a Better Way to Run the Government," Klein, *The New York Times* (2022)

WEEK 6**APRIL 28 – MAY 4**

Guest lecture (April 30): Katherine Baicker, Provost, The University of Chicago, Emmett Dedmon Professor, Harris School of Public Policy

Discussion topic: Market failures and ways to address them (week two of two)

- What are the features of 'heavy' versus 'light touch' state intervention in markets? Are there situations in which one or the other seems preferable to you?
- Is 'touch level' even a useful categorization of government intervention? What assumptions are implied by this distinction? Are these assumptions appropriate?
- Should the state engage in industrial policy? To what ends? What are some barriers to its efficacy?
- What is the appropriate scope of state interventions to assure competitiveness within markets?
- To what extent can the state intervene to protect workers' interests? To what extent *should* the state do so?

READINGS

Light touch: disclosure

- "[Disclosure and Simplification as Regulatory Tools](#)," OMB memorandum, Sunstein (2010)
- "[The Failure of Mandated Disclosure](#)," Ben-Shahar & Schneider, *University of Pennsylvania Law Review* (2011)

Lightish touch: funding, provision, or outsourcing

- "[Is Singapore's "miracle" health care system the answer for America?](#)" Klein, *Vox* (2017)
- "[Upset about FAFSA?](#)," Pahlka, *Eating Policy* (2024)

Heavy touch: industrial policy and state-led innovation

- "[The New Economics Of Industrial Policy](#)," Juhász, Lane, and Rodrik, *National Bureau of Economic Research* (2023)
- Capitalism, Socialism, and Democracy*, Schumpeter (1942)
- "[A Toolkit of Policies to Promote Innovation](#)," Bloom, Van Reenan, & Williams, *Journal of Economic Perspectives* (2019)

What about competition?: corporations, consumers, and labor

- "[Moonshooters](#)," *Money Talks* (2022)
- OECD Employment Outlook 2020: Worker Security and the COVID-19 Crisis*, Chapter 3: "[Recent trends in employment protection legislation](#)", OECD publication (2021)
- "[Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania](#)," Card & Krueger, *American Economic Review* (1994)

WEEK 7**MAY 5 – MAY 11****Guest lecture (May 7): TBA****Discussion topic: inequality**

- What challenges are inherent in attempting to disentangle equality of opportunity and equality of outcomes?
- Do current trends in inequality represent a fundamental challenge to capitalism? Why or why not?
- Inequality is linked to gender, race, and other protected aspects of a person's identity. How does this affect your view of the appropriate response to inequality and to whether that response should come from the state, private markets, or other sectors of society?
- What steps to reduce inequality do you find most compelling? In considering this, do you find yourself most moved by descriptive evidence (what has worked), normative values (what is right), or pragmatic considerations (what is feasible)? How do these different factors interact?

READINGS**"Equality" of what? Outcomes, opportunity, and fairness**

Justice as Fairness: A Restatement, Rawls (2001)

"Why Does Inequality Matter?" Scanlon, in *Combating Inequality: Rethinking Government's Role*, Blanchard and Rodrik, editors (2021)

Is inequality, in itself, harmful?

["Can disparities be deadly?"](#) Underwood, *Science* (2014)

How unequal are we? How are we unequal?

["Measuring income inequality: A primer on the debate."](#) Gale, Sabelhaus, & Thorpe, Brookings Institution (2023)

["Racial Inequality in the United States,"](#) U.S. Department of the Treasury (2022)

"What Gives Poor Kids a Shot at Better Lives?" Lahart, *The Wall Street Journal* (2024)

["Changing Opportunity: Sociological Mechanisms..."](#) (data), Chetty et al, *Opportunity Insights* (2024)

What can be done about inequality? — taxation and transfer

["Inequality in America: Taxes and the Ultra-Rich,"](#) debate between Saez and Kaplan, moderated by Zingales, Chicago Booth Stigler Center (2020)

["Xi Jinping's talk of 'common prosperity' spooks the prosperous,"](#) *The Economist* (2021)

What can be done about inequality? — education and training

What We Owe Each Other, Shafik (2021)

What can be done about inequality? — capital, labor, and bargaining power

["Unions And Inequality Over The Twentieth Century: New Evidence From Survey Data,"](#) Farber et al, *Quarterly Journal of Economics* (2021)

["Will the message sent by Amazon workers turn into a movement?"](#) Pazzanese and Katz, *The Harvard Gazette* (2022)

WEEK 8**MAY 12 – MAY 18**

**Guest lecture (May 14): Agnes Callard, Associate Professor in Philosophy, University of Chicago
Department of Philosophy**

Student deliverable: Country Studies

Small groups of students will prepare focused reports on specific economic institutions within specific countries. Final details of the assignment will be shared by individual seminar instructors.

Discussion topics: Rationality, meaning, and human flourishing

- How does evidence and theory describing cognitive biases and the limits of rationality impact arguments in favor of free-market capitalism?
- What are ways in which capitalism, specifically, can impact individual tastes, priorities, and preferences?
- What constitutes 'meaningful' work? How does capitalism help or hinder the achievement of meaning in one's work?
- How do you think that the availability of meaningful work has changed over the last several decades? Does your answer differ for individuals with different levels of educational attainment?
- What role does meaning play in your own choices? Is 'work' a central source of meaning in your life? What is your perception of your peers' priorities with respect to work?
- How has capitalism impacted our sense of community? What features of 'community', beneficial or harmful, can capitalism undermine? Are there features of 'community' that capitalism can strengthen?

READINGS

De gustibus disputandum est — bias, rationality, and choice

Remarks on behavioral economics, Thaler, discussion with Gertner, "Perspectives on Capitalism" (2022)

"[Disclosure and Simplification as Regulatory Tools](#)," OMB memorandum, Sunstein (2010)

"[Social Norms and Economic Theory](#)," Elster, *Journal of Economic Perspectives* (1989)

De gustibus disputandum est — capitalism and norms of consumption

[The Theory of the Leisure Class](#), Veblen, (1899)

[Middletown: A Study of Contemporary American Culture](#), Lynd & Lynd (1929)

"[The Dependence Effect](#)," from *The Affluent Society*, Galbraith (1952)

"The Seacoast of Despair," from *Slouching Towards Bethlehem*, Didion (1967)

Flourishing — meaning, agency, and community

The Company: A Short History of a Revolutionary Idea, Micklethwait & Wooldridge (2003)

Economic and Philosophic Manuscripts of 1844, Marx (1844)

Janesville: an American Story, Goldstein (2017)

WEEK 9**MAY 19 – MAY 25**

Guest lecture (May 21): Richard Thaler, Charles R. Walgreen Distinguished Service Professor of Behavioral Science and Economics, Chicago Booth

Student survey, round two

As at the start of the course, students will take a survey on their attitudes towards capitalism. In section, we will compare the results of these two surveys — one taken before the course and one after.

Discussion topic: How economic life shapes and is shaped by social and individual values

- Do quantified market values capture all of the *meaning* that we associate with them? Is GDP an effective measure of social well-being? Are prices an effective measure of worth? When is the link between market values and human flourishing strong, and when does it weaken?
- How essential to capitalism is 'growth' as a value? How essential to capitalism is growth as a reality?
- How do quantified market values—prices, GDP, et cetera—translate *into* social values in capitalist societies? How does 'the market' extend beyond business transactions and into other areas of life?
- Conversely, how do values rooted in non-economic parts of life—religious convictions, beliefs about family, and so on—impose themselves on markets? How is 'the market' bounded by non-market values?
- How would you describe the impact of market societies' economic structures upon the values which those societies elevate? Are there specific social values, good or bad, that market societies are drawn towards or away from?
- To the extent that quote-unquote 'good' values are, in any society, values that most people like and support, are there ways in which society can harness markets to encourage such values? How do you understand the tradeoff between the benefits offered by open and competitive markets and the difficulty of controlling the values—good or bad—that markets can propagate?
- How do you feel that this tradeoff manifests itself in your own life?

READINGS

Measuring value(s): equating growth with well-being

- "[GDP & What Counts](#)," *Planet Money* (2022)
- Career and Family*, Goldin (2021)
- "[Can We Have Prosperity without Growth?](#)" Cassidy, *New Yorker* (2020)
- "[The Age of Depopulation](#)," Eberstadt, *Foreign Affairs* (2024)

Market value(s): limits, losses, and gains

- [The Theory of Moral Sentiments](#), Smith (1759)
- What Money Can't Buy: The Moral Limits of Markets*, Sandel (2012)
- "[Repugnance as a Constraint on Markets](#)," Roth, *Journal of Economic Perspectives* (2007)
- "[Move Fast and Vape Things](#)," Pappas, Kaplan, and Kreswel, *The New York Times* (2021)
- "[The Larger Meaning of China's Crackdown on School Tutoring](#)," Liu, *The New Yorker* (2022)
- "[Is Capitalism Good for Women?](#)" Cudd, *Journal of Business Ethics* (2015)
- Career and Family*, Goldin (2021)