



SMU | COX

BRIDWELL INSTITUTE  
FOR ECONOMIC FREEDOM

**SMU McLane/Armentrout/Bridwell Scholars Reading Groups  
Fall 2021 Syllabus**

**Freedom and Human Flourishing:**

**Poverty, Prosperity, & Happiness around the World**

Mon./Tues./Wed.: Dean Stansel, Ph.D., Research Associate Professor

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Bridwell Institute for Economic Freedom

<https://www.smu.edu/cox/Centers-and-Institutes/Bridwell-Institute>

Cox School of Business, Crow 282

**Meeting Times.** Our meetings will be held on Mondays (Bridwell), Tuesdays (McLane), and Wednesdays (Armentrout) ) in Crow 282 and will normally occur at 6-8 pm.\* All three groups have the same readings. \*Until the University's mask requirement is lifted, the meetings will end at 7pm.

**Attendance is required.** Your attendance and **active** participation are required. We will have **10 regular meetings plus a joint reading group summit** with the students from similar groups at Baylor, Texas Tech, Angelo State, and University of Central Arkansas. That will be held at SMU on the evening of Fri. Oct. 15 & the morning and early afternoon of Sat. Oct. 16 and is a **required** part of the program. You will not be paid the \$1000 stipend if you do not attend.

You are **required to attend all 10 weekly meetings**. However, if you have an unavoidable conflict, we do have limited flexibility, with advance notice, for you to switch nights if you cannot attend on your regular reading group night (i.e., if you can't make one of your regular Monday night meetings, you can instead attend on Tuesday or Wednesday that week and vice-versa). In addition, the Bridwell Institute hosts several guest speakers throughout the semester. You are **required to attend at least one of those events (and email to your discussion leader a one paragraph summary of what you learned)**, but are strongly encouraged to attend all of them for which you do not have a conflict. You can also make up for an absence at a weekly meeting by attending one of these events. Scheduled events are listed on the next page and you will be alerted if more are scheduled. Since we currently do not have as many events as we did pre-pandemic, if necessary, you may instead watch a previous event on our YouTube channel chosen from a list that will be distributed towards the end of the semester.

**Dinner.** The formal discussion session will last about an hour, after which we will bring in food to continue our conversation informally. You should expect this to last until about 8 pm.\* This is considered an integral part of the program and you are expected to participate. **Leaving early (or arriving late) will count as half an absence.** Please notify us if you have food allergies or other issues so that we can be sure to accommodate you.

\*Note that until the University's mask requirement is lifted, we will be unable to have dinner, so the meetings will end at 7pm.

**Stipend.** Upon successful completion of the program, you will receive a \$1,000 stipend about a month after the program ends. (Thanks to the McLane Company, Inc., the Armentrout Foundation, and SMU Alum Tucker Bridwell for their generous support for this program.) There is some paperwork involved in order to process the payment. We will send that to you early in the semester. You can't get paid without it. Taxes will not be withheld, but the payment will be reported to the IRS and you may be liable for paying taxes on that income. **Please contact Liz Chow (in Crow 276) if you have any questions ([chow@smu.edu](mailto:chow@smu.edu), 214-768-2493).**

## General Advice

**Read Ahead.** There are about 50-75 pages of material assigned each week, and the material is not always easy. Please budget enough time in your schedule to do the readings ahead of time.

**Come Prepared.** Your **active participation is required**. Those who do not do so will not receive the \$1,000 stipend. Planning ahead is the best way to make sure you are contributing to the group discussion. You should have 3 or 4 specific questions or comments prepared in advance for each session – preferably related directly to the texts. If there’s a lull in the conversation, use that opportunity to ask one of your prepared questions. It is important that everyone has an opportunity to participate, so please monitor your level of participation accordingly. (With 60 minutes and 12 students, that’s only an average of 5 minutes each.)

**Be Critical.** There is room for disagreement. Don’t agree unthinkingly with the readings or each other. Reasonable people disagree, so be reasonable, but do so **respectfully**.

**Be Humble.** The writers we read did not know everything and neither do you. Be willing to listen to the writers and each other, and be willing to say, “I don’t know.”

## Tentative Bridwell Institute Event Schedule

The most up-to-date list can always be found on our website:

<https://www.smu.edu/cox/Centers-and-Institutes/Bridwell-Institute/Events>

Wed. Sep. 29, 6-7:15pm, Texas Economic Forum, Michael Cox, Bridwell Institute.

Fri. Nov. 6, 6-7:15pm, How Innovation Works: And Why It Flourishes in Freedom, Matthew Ridley, Columnist for The Telegraph and The Times, Member of the Science and Technology Select Committee for the House of Lords, Great Britain

## Meeting Schedule

<u>Meeting #</u>	<u>Dates (Mon./Tues./Wed./Fri.*)</u>	<u>Notes</u>
1	Aug. 30/31/Sept. 1	second week of class
NO MEETINGS	Sept. 6/7/8	due to Monday’s Labor Day holiday
2	Sept. 13/14/15	
3	Sept. 20/21/22	
4	Sept 27/28/29	
5	Oct. 4/5/6	
NO MEETINGS	Oct. 11/12/13	due to the Summit that weekend
Fri. Oct. 15 – Sat. Oct. 16, <b>Mandatory</b> Reading Group Summit at SMU		
6	Oct. 18/19/20	
7	Oct. 25/26/27	
8	Nov. 1/2/3	
9	Nov. 8/9/10	
10	Nov. 15/16/17	

## Reading List

Books that will be provided:

William Easterly. (2014). *The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor*. Basic Books.

Brink Lindsey and Steven M. Teles. (2017). *The Captured Economy: How the Powerful Enrich Themselves, Slow Down Growth, and Increase Inequality*. Oxford University Press.

Deirdre McCloskey. (2016). *Bourgeois Equality: How Ideas, Not Capital or Institutions, Enriched the World*. University of Chicago Press.

James Otteson. (2021). *Seven Deadly Economic Sins*. Cambridge University Press.

## Meeting 1 – Is Life Getting Better? [58 pages]

### Required Readings

- Abhijit Banerjee and Esther Duflo. (2011). Ch. 1 & 2, “Think Again, Again” and “A Billion Hungry People?” in *Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty*. Public Affairs, 2011. [33 pages] [[read here](#)]
- McCloskey, Ch. 1, “The World is Pretty Rich, but Once was Poor,” [9 pages]
- McCloskey, Ch. 2, “For Malthusian and Other Reasons, Very Poor,” [7 pages]
- McCloskey, Ch. 3, “Then Many of Us Shot Up the Blade of a Hockey Stick.” [9 pages]

### Optional

- Boudreaux, Don (20 February 2016). “Most Ordinary Americans in 2016 Are Richer Than Was John D. Rockefeller in 1916,” *Café Hayek*. [[read here](#)].
- Thompson, Derek (11 February 2016). “America in 1915: Long Hours, Crowded Houses, Death by Trolley,” *The Atlantic*. [[read here](#)].

### Multi-Media

- Hans Rosling, “The Magic Washing Machine.” [[watch here](#) - 9:09]
- Gap Minder, explore patterns of population growth, income, health (life expectancy), income inequality, poverty, CO2 emissions, and education over time. [[explore here](#)].

## Meeting 2 – The Puzzle of Growth: Why Some Nations Are Rich and Others Poor? [52 pages]

### Required Readings

- Easterly, Ch. 2, “Two Nobel Laureates and the Debate They Never Had.” [30 pages]
- Otteson, Ch. 4, “Progress is Not Inevitable” [22 pages]

### Optional Materials

- Sachs, J. D., Mellinger, A. D., & Gallup, J. L. (2001). “The Geography of Poverty and Wealth.” *Scientific American*, 284(3), 70-75. [[read here](#) - 5 pages]
- Gorodnichenko, Y. and G. Roland (21 September 2010). “Does culture affect long-run growth?” Vox CEPR’s Policy Portal. [[read here](#) - 4 pages]
- North, D. C. (1994). “Economic Performance Through Time.” *The American Economic Review*, 84(3), 359-368. [[read here](#) - 9 pages].
- Alesina, A., & Giuliano, P. (2015). “Culture and Institutions.” *Journal of Economic Literature*, 53(4), 898-944. [[read here](#) - 46 pages]
- \*Gates, Bill (26 February 2013). “Good Ideas, but Missing Analysis.” [[read here](#)]
- Gorodnichenko, Y., & Roland, G. (2017). “Culture, Institutions, and the Wealth of Nations.” *The Review of Economics and Statistics*, 99(3), 402-416. [[read here](#) - 17 pages].
- \*Nunn, N. (2012). “Culture and the Historical Process.” *Economic History of Developing Regions*, S108-S126. [[read here](#) - 19 pages]

### Multi-Media

- Marginal Revolution University, The Puzzle of Growth: Rich Countries and Poor Countries [[watch here](#) – 8:32]
- Ted Talk: James Robinson, “Why Nations Fail.” [[watch here](#) – 18:33]

### Meeting 3: Words and Ideas Can Change the World [65 pages]

#### Required Readings

- Easterly, Ch. 12, “Technology: How to Succeed Without Knowing How.” [32 pages]
- McCloskey, Ch. 51, “Sweet Talk Rules the Economy.” [10 pages]
- McCloskey, Ch. 52, “And Its Rhetoric Can Change Quickly.” [5 pages]
- McCloskey, Ch. 54, “Yes, It Was Ideas, Not Interests or Institutions, that Changed, Suddenly, in Northwestern Europe.” [9 pages]
- McCloskey, Ch. 55, “Elsewhere Ideas about the Bourgeoisie Did Not Change.” [9 pages]

#### Optional

- McCloskey, Ch. 53, “It Was Not a Deep Cultural Change.” [6 pages]
- McCloskey, Ch. 67, “A Change in Rhetoric Made Modernity, and Can Spread It.” [10 pages]

### Meeting 4: Resentment Towards the Rich and Inequality [65 pages]

#### Required Readings

- Lindsey and Teles, Ch. 1, “Rigged.” [14 pages]
- McCloskey, Chapter 6 – “Inequality is Not the Problem.” [9 pages].
- McCloskey, Chapter 66 – “What Matters Ethically is Not Equality of Outcome, but the Condition of the Working Class.” [9 pages]
- Otteson, Ch. 6, “Equality of What?” [19 pages]
- Stiglitz, Joseph (May 2011). “Of the 1%, by the 1%, for the 1%,” *Vanity Fair*. [[read here](#)] [4 pages].
- Stiglitz, Joseph (9 September 2016). “Standard Economics is Wrong. Inequality and Unearned Income Kills the Economy.” *Economics*. [[read here](#)] [10 pages]
- Richard Wilkinson - How Economic Inequality Harms Societies [[watch here](#) – 16:54]

#### Optional Readings

- Lindsey and Teles, Chapter 2 – “The Rents are Too Damn High.” [19 pages]
- Holcombe, R. G. (2015). Capital and labor, Past and present, in the context of Piketty’s Capital. *The Review of Austrian Economics*, 28(2), 195-207 [[read here](#) - 13 pages].
- Roser, Max. “Global Economic Inequality,” Our World in Data. [[read here](#)]

### Multi-Media

- “Thomas Piketty’s ‘Capital in 3 minutes.’” [[watch here](#) - 3:14]
- “Income and Wealth Inequality: Crash Course Economics #17.” [[watch here](#) – 10:15]
- Marginal Revolution University, “Adam Smith on Inequalities of Wages.” [[watch here](#) – 6:38]
- Stephen Davies. “How to Fight Global Poverty” 4-minute video, Learn Liberty, 2013. <https://www.youtube.com/watch?v=JzmxQOonnGE>
- Michael Munger. “Market Fairness,” 4-minute video on why we should focus on reducing poverty, Institute for Humane Studies. <https://theihs.org/ppe/how-markets-work-and-fail/market-fairness/>
- David Schmitz. “Liberalism and Equality of Opportunity,” 4-minute video, Institute for Humane Studies. <https://theihs.org/ppe/equality/liberalism-and-equality-of-opportunity/>

## Meeting 5: Foreign Aid and Development [69 pages]

### Required Readings

- Easterly, Ch. 11, “Markets: The Association of Problem Solvers.” [36 pages]
- Gates, Bill (27 June 2017). “Giving Foreign Aid Helps America’s Economy.” [2 pages] [[read here](#)].
- Sachs, Jeffrey D. and Ayittey, George B.N. (2012). “Poverty: Can Foreign Aid Reduce Poverty,” In *Controversies in Globalization: Contending Approaches to International Relations*, 71-102. [[read here](#) – 31 pages]

### Multi-Media

- Bono, “The good news on poverty (Yes, there’s good news).” [[watch here](#) – 13:57]
- Easterly, William, “Why does foreign aid fail?” [[watch here](#) – 6:33]
- Stossel, John, “Foreign Aid – Stossel in the Classroom.” [[watch here](#) – 6:20]
- Marginal Revolution University, “Millennium Villages Project.” [[watch here](#) – 9:21]
- Zwolinski, Matt – “World Poverty: Foreign Aid vs. Charity that Actually Works.” [[watch here](#) – 3:40]

### Optional Materials

- Rosling, Hans, “Don’t Panic: How to End Poverty in 15 Years.” [[watch here](#) – 59:18]
- Sachs, Jeffrey (21 January 2014). “The Case for Aid,” *Foreign Policy*. [[read here](#)]
- Zwolinski, Matt, “World Poverty: Foreign Aid vs. Charity that Actually Works.” [[watch here](#) – 3:40]
- John, A., & Storr, V. H. (2009). “Can the West help the rest? A review essay of Sachs’ The End of Poverty and Easterly’s The White Man’s Burden.” *Journal of Private Enterprise*, 25, 125-140. [[read here](#) - 15 pages]

## Summit (October 15-16, 2021): “The Ethics of Redistribution” by James Otteson [75 pages]

### Required Readings

- Otteson, J., Ch. 5, “Economics and/or Morality?” [41 pages]
- Otteson, J., Ch. 7, “Markets Are Not Perfect” [34 pages]

### Multi-Media

- James Otteson. “Liberty & Equality,” 4-minute video, Learn Liberty, 2011. <https://www.learnliberty.org/videos/rawls-and-nozick-on-liberty-equality/>
- James Otteson. “Rawls and Nozick on Liberty & Equality,” 2-minute video, Learn Liberty, 2011. <https://www.learnliberty.org/videos/rawls-and-nozick-on-liberty-equality/>

## Meeting 6: Development, Regulation, and Entrepreneurship in the U.S. [64 pages]

### Required Readings

- Lindsey and Teles, Ch. 5, “Occupational Licensing.” [18 pages]
- Lindsey and Teles, Ch. 6, “Land Use.” [18 pages]
- Decker, R., Haltiwanger, J., Jarmin, R., & Miranda, J. (2014). The Role of Entrepreneurship in US Job Creation and Economic Dynamism. *Journal of Economic Perspectives*, 28(3), 3-24. [[read here](#)] [21 pages].
- Litan, Robert E. and Ian Hathaway (13 June 2017). “Is America Encouraging the Wrong Kind of Entrepreneurship?” *Harvard Business Review*. [[read here](#) – 7 pages]

### Multi-Media

- Occupational Licensing [[Stossel](#) – 4:32] [[Institute for Justice](#) – 4:59]
- Sharing Economy [[Learn Liberty](#) – 2:59] [[Mercatus Policy Report](#) – 8 pages]
- Rent-seeking [[read here](#)] [[Learn Liberty](#) – 4:11]

### Optional Readings (\*Highly recommended)

- Carpenter, Dick M., Lisa Knepper, Kyle Sweetland, and Jennifer McDonald (November 2017). *License to Work: A National Study of Burdens from Occupational Licensing, 2<sup>nd</sup> Edition*. [[read here](#)]
- \*Economic Innovation Group (2017). *Dynamism in Retreat: Consequences for Regions, Markets, and Workers*. [[read here](#)]

## Meeting 7: Social Entrepreneurship and Social Progress [47 pages]

### Required Readings

- “Rethinking the Social Responsibility of Business: A debate featuring Milton Friedman, John Mackey, and TJ Rodgers. [[read here](#)] [12 pages]
- Bornstein, David (13 November 2012). “The Rise of the Social Entrepreneur,” *New York Times*. [[read here](#)]
- Fisman, Ray and Tim Sullivan (7 June 2016). “The Invisible Helping Hand: How a network of food banks learned to feed more people by embracing the free market,” *Slate*. [[read here](#) – 6 pages]
- Clark, J.R. and D.R. Lee (2011). “Markets and Morality,” *Cato Journal* 31(1): 1-25. [[read here](#) – 24 pages].

### Optional Readings

- Easterly, Ch. 11, “Markets: The Association of Problem Solvers,” [36 pages]
- Murphy, Richard M. and Denielle Sachs (2 May 2013). “The Rise of Social Entrepreneurship Suggests a Possible Future for Global Capitalism,” *Forbes*. [[read here](#) – 8 pages].
- Osberg, Sally R. and Roger L. Martin (May 2015). “Two Keys to Sustainable Social Enterprise,” *Harvard Business Review*, 86-94. [[read here](#) – 8 pages].

### Multi-Media

- Gates, Melinda, “What can non-profits learn from Coca-Cola?” [[watch here](#) – 16:22]
- EconTalk, “How Prices Can Improve a Food Fight (and Help the Poor).” [[listen here](#) – 1 hour].
- Bono, “Global Social Enterprise.” [[watch here](#) – 1 hr 11 min]

## Meeting 8: Is Economic Growth the Best Measure of Social Progress? [69 pages]

### Required Readings

- Are we happy yet? Cato unbound [[read here](#)] [38 pages]
- Economist debate [[read here](#)] [16 pages]
- Frey and Stutzer (2007). Should National Happiness Be Maximized? [[read here](#) - 15 pages]

### Multi-Media

- The Happy Planet Index [Nick Marks - [watch here](#) – 16:49] [[website](#)]
- Joseph Stiglitz, Problems with GDP as an Economic Barometer [[watch here](#) – 8:05]
- Amartya Sen on quality of life [[watch here](#) – 22:45]
- OECD Better Life Index [[explore here](#)]

## Meeting 9: Money and Happiness [56 pages]

### Required Readings

- Nozick, Robert. (1989) “Happiness,” Chapter 9 from *The Examined Life* [[read here](#)] [11 pages]
- Easterlin, Richard (1995). Will raising the incomes of all increase the happiness of all? *Journal of Economic Behavior and Organization*. 27, 35-47 [[read here](#) – 11 pages]
- Sacks, Stevenson, Wolfers. (2013). New Stylized Facts about Income and Subjective Well-Being. *CES Working Paper*. [[read here](#)][13 pages]
- Kahneman and Deaton (2010). High Income Improves Life Evaluation but not Emotional Well-Being. *PNAS* [[read here](#) - 5 pages]



- Killingsworth, M. A. (2021). Experienced well-being rises with income, even above \$75,000 per year. *Proceedings of the National Academy of Sciences*, 118(4). [[read here](#)] [5 pages]
- Dunn, Elizabeth, Daniel Gilbert, and Timothy Wilson (2011). If money doesn't make you happy, then you probably aren't spending it right. *Journal of Consumer Psychology*. 21: 115-125 [[read here](#)] [9 pages]
- Florida, Richard. (2016) "The Price of Happiness in Cities," CityLab. [[read here](#)] [2 pages]

#### Multi-Media

- Economic Freedom and Quality of Life [[watch here](#) – 3:08]
- Daniel Kahneman: The riddle of experience vs. memory [[watch here](#) – 20:06]
- Epicurus on Happiness [[watch here](#) – 23:58]
- The Price of Happiness [[watch here](#) – 14:40]

#### Optional Materials

- National Opinion Research Center. (2015). "General Social Survey Final Report: Trends in Psychological Well-Being, 1972-2014." [[read here](#), selected pages with graphs and question wordings, [read full report here](#)]
- David, Buss. (2000). The Evolution of Happiness. *American Psychologist*. 55, 15-23. [[read here](#)]
- Inglehart, Ronald, Roberto Foa, Christopher Peterson, and Christian Welzel (2008). Development, Freedom and Rising Happiness: A Global Perspective (1981-2007). *Perspective on Psychological Science*. 3(4): 264-285 [[read here](#)] [22 pages]
- Nikolova, Milena, and Carol Graham (2020). "The Economics of Happiness." In: Zimmermann K.F. (eds) *Handbook of Labor, Human Resources and Population Economics*. Springer. [[read here](#)] [24 pages]

### Meeting 10: Automation, Robots and Work in the Future [63 pages]

#### Required Readings

- Ford, Martin (2015). Ch. 2 & 3, "Is This Time Different?" and "Information Technology: An Unprecedented Force for Disruption." In *The Rise of the Robots: Technology and the Threat of a Jobless Future*. Basic Books. [45 pages] [[read here](#)]
- Morgernstern, Michael (June 25, 2016). "Automation and Anxiety," *The Economist*. [[read here](#)] [4 pages]
- Miller, Claire Cain (March 7, 2017). "How to beat the robots," *New York Times* [[read here](#)] [4 pages]
- Bourne, Ryan (August 8, 2017). "A Higher Minimum Wage Acts as a Subsidy to Automation," *UK Telegraph Today*. [[read here](#)] [2 pages]
- Swanson, Brett and Michael J. Mandel (May 14, 2017). "Robots Will Save the Economy," *Wall Street Journal*. [[read here](#)] [2 pages]
- Casselman, Ben. (July 3, 2021). "Pandemic Wave of Automation May Be Bad News for Workers," *New York Times*. [[read here](#)] [4 pages]
- O'Brien, Matt and Paul Wiseman. (Sept. 5, 2021). "Do we need humans for that job? Automation booms after COVID," *Associated Press* [[read here](#)] [2 pages]

#### Videos

- Ted Talk: Anthony Goldbloom, "The jobs we'll lose to machines – and the ones we won't." [[watch here](#) - 4:32]
- "Will Robots Cause Mass Unemployment? A Soho Forum Debate." (Jan. 17, 2020) [[watch here](#) – 1:25:11]
- "Will a Robot Take Your Job?" Cato Institute Policy Forum (April 20, 2016) [[watch here](#), 1:20:32]
- The Tesla Bot Explained [[watch here](#)]

*Optional Materials*

- McKinsey Global Institute Debate. (December 2014) “Automation, Jobs, and the Future of Work.” [[read here](#)- 5 pages]
- Mahdawi, Arwa (26 June 2017). “What jobs will still be around in 20 years?” *The Guardian*. [[read here](#)]