

SMU McLane/Armentrout Scholars Reading Groups
Fall 2017 Syllabus
Economics and Social Issues: Markets and the Marginalized

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Meeting Times. Our meetings will be held on Tuesdays (McLane) and Wednesdays (Armentrout) at 6-8 pm in the O'Neil Center conference room (Crow 282). Both groups have the same readings.

Attendance is required. Your attendance and active participation are required. We will have **10 on-campus meetings plus a joint reading group summit** with the students from similar reading groups at Baylor, Texas Tech, and University of Central Arkansas. That will be held at SMU on the evening of Fri. Oct. 6 & the morning and early afternoon of Sat. Oct. 7 and is **required** as a part of the program. You will not be paid the \$1000 stipend if you do not attend.

The O'Neil Center will have several guest speakers throughout the semester as a part of its Flourishing and a Free Society Forum lecture series. You are expected to attend those events if you do not have a class or reading group conflict. You are required to attend a total of **11 reading group meetings or events plus the summit**. Ideally, you will attend all 10 of the weekly reading group meetings and at least one of the O'Neil Center events. With advance notice, we do have limited flexibility for you to occasionally switch nights if you cannot attend on your regular reading group night. However, if you do have to miss one of the weekly meetings, you can instead make up for it by attending an additional O'Neil Center event. You will need to find me or someone else from the O'Neil Center (ideally Meg Tuszynski or Prof. Ryan Murphy) at those events to confirm your attendance. Tentative major events are listed on the schedule at the end of this syllabus and you will be alerted when more are scheduled.

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 me if you have food allergies or other issues so that we can be sure to accommodate you.

Facebook Group. You should all make at least one post or comment about the readings each week on the Facebook group that we have created jointly with the McLane Scholars groups at Baylor and Texas Tech. Please join the group and make a contribution before the first meeting and every weekly meeting.
<https://www.facebook.com/groups/733137316769255/>

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. and the Armentrout Foundation for their generous support for this program.) There is much paperwork involved in order to process the payment. 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 see Liz Chow (Crow 278) to make sure all the required paperwork is in order (chow@smu.edu, 214-768-2493). You can't get paid otherwise.

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. You should have 3 or 4 specific questions or comments prepared in advance for each session – hopefully related directly to the texts. Your active participation is expected and planning ahead is the best way to make sure you are contributing to the group discussion. If there's a lull in the conversation, use that opportunity to ask one of your prepared questions.

Be Critical. 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 O'Neil Center Event Schedule

Flourishing and a Free Society Forum lecture series

Tues. Sep. 12, 6-7pm, Scott Sumner, Bentley University and the Mercatus Center at George Mason University, "The Real Problem Was Nominal: Market Monetarism and the Great Recession"

Fri. Oct. 6, 5:30pm, Walter Williams, George Mason University, "The Role of Government in a Free Society," Hughes-Trigg Theater.

Wed. Oct. 18, 6-7pm, David Henderson, Naval Postgraduate School, and Econlog, "How Economists Helped End the Draft"

Texas Economic Forum

Tues. Sep. 19, Panel Discussion with O'Neil Center, Maguire Energy Institute, and Folsom Institute for Real Estate. Details TBD.

Workshop Series (designed for faculty but can be used to make-up absences if necessary)

Tues. Sep. 12, 10:30-11:30am, Scott Sumner, Bentley University and the Mercatus Center at George Mason University, "The Great Danes: Cultural Values and Neoliberal Reforms"

Nov. 3, 10:30-11:30am, Korok Ray, Texas A&M University

Fri. Dec. 1, 10:30-11:30am, Art Carden, Samford University and the Independent Institute

Meeting Schedule

Books that will be provided:

Walter Williams (2011) *Race and Economics: How Much Can Be Blamed on Discrimination?* Stanford, CA: Hoover Institution Press.

Charles Murray (2012) *Coming Apart: The State of White America, 1960-2010*. New York, NY: Random House.

Thomas C. Leonard (2016) *Illiberal Reformers: Race, Eugenics & American Economics in the Progressive Era*. Princeton, NJ: Princeton University Press.

Tim Harford (2009) *The Logic of Life: The Rational Economics of an Irrational World*. New York, NY: Random House Trade Paperbacks.

David Skarbek (2014) *The Social Order of the Underworld: How Prison Gangs Govern the American Penal System*. New York, NY: Oxford University Press.

*Note: Readings marked with asterisks are available in the DropBox link below. All others are found in the books that you will be given.

https://www.dropbox.com/sh/crsmmc4ez8j295z/AAADeI9QQL5_FHf0Ely_qZEwa?dl=0

Week 1: Equality and Hierarchy (Sep. 5/6)

- *Levy, David M. and Sandra J. Peart. (2001) "The Secret History of the Dismal Science. Part I. Economics, Religion and Race in the 19th Century." January 22. Library of Economics and Liberty.
<http://www.econlib.org/library/Columns/LevyPeartdismal.html>
- *----- (2001) "The Secret History of the Dismal Science. Part II. Brotherhood, Trade, and the Negro Question." March 26. <http://www.econlib.org/library/Columns/LevyPeartdismal2.html>
- *----- (2001) "The Secret History of the Dismal Science. Part III. The Governor Eyre Controversy." June 4. <http://www.econlib.org/library/Columns/LevyPeartdismal3.html>
- *----- (2001) "The Secret History of the Dismal Science. Part IV. Paternalism, Hierarchy, and Markets." August 27. <http://www.econlib.org/library/Columns/LevyPeartdismal4.html>
- *----- (2001) "The Secret History of the Dismal Science. Part V. Parasite Economics and Market Exchange." December 17. <http://www.econlib.org/library/Columns/LevyPeartdismal5.html>
- Leonard, Thomas C. (2016) "Redeeming American Economic Life." Ch. 1 In *Illiberal Reformers: Race, Eugenics & American Economics in the Progressive Era*. Princeton, NJ: Princeton University Press. 3-16.
- (2016) "Turning Illiberal." Ch. 2, 17-26.

Week 2: Eugenics (Sep. 12/13)

- Leonard, Thomas C. (2016) "Valuing Labor: What Should Labor Get?" Ch. 5 In *Illiberal Reformers: Race, Eugenics & American Economics in the Progressive Era*. Princeton, NJ: Princeton University Press. 77-88.
- (2016) "Darwinism in Economic Reform." Ch. 6, 89-108.
- (2016) "Eugenics and Race in Economic Reform." Ch. 7, 109-128.
- (2016) "Excluding the Unemployable." Ch. 8, 129-140.
- *Weisberger, Bernard A. and Marshall Steinbaum. (2016) "The Exclusionist Legacy of Progressive Economics." *Democracy: A Journal of Ideas*. March 15. Washington, DC.
<http://democracyjournal.org/arguments/the-exclusionist-legacy-of-progressive-economics/>

Week 3: Wage Gaps (Sep. 19/20)

- Harford, Timothy. (2009) "The Dangers of Rational Racism." Ch. 6 In *The Logic of Life: The Rational Economics of an Irrational World*. New York, NY: Random House Trade Paperbacks. 130-148.
- *Fishback, Price. (1998) "Competition and Erosion of Employer-Based Discrimination." In "Operations of 'Unfettered' Labor Markets: Exit and Voice in American Labor Markets at the Turn of the Century." *Journal of Economic Literature*, Vol. 36, No. 2. 740-747.
- Williams, Walter E. (2011) "Is Discrimination a Complete Barrier to Economic Mobility." Ch. 2 In *Race and Economics: How Much Can Be Blamed on Discrimination?* Stanford, CA: Hoover Institution Press. 11-30.
- *Goldin, Claudia. (2008) "Gender Gap." In David R. Henderson, Ed., *The Concise Encyclopedia of Economics*. Indianapolis, IN: Liberty Fund, Inc. <http://www.econlib.org/library/Enc/GenderGap.html>
- *Goldin, Claudia. (2015) "How to Achieve Gender Equality." *Milken Institute Review*, July (Q3). 24-33.
- *Waldfoegel, Jane. (1998) "Understanding the 'Family Gap' in Pay for Women with Children." *The Journal of Economic Perspectives*, Vol. 12, No. 1. 137-156.

Week 4: Labor Regulation (Sep. 26/27)

- Leonard, Thomas C. (2016) "Excluding Immigrants and the Unproductive." Ch. 9 In *Illiberal Reformers: Race, Eugenics & American Economics in the Progressive Era*. Princeton, NJ: Princeton University Press. 141-168.
- Williams, Walter E. (2011) "Race and Wage Regulation." Ch. 3 In *Race and Economics: How Much Can Be Blamed on Discrimination?* Stanford, CA: Hoover Institution Press. 31-58.
- *Holzer, Harry J. and David Neumark. (2008) "Affirmative Action" In Steven N. Durlauf and Lawrence E. Blume, Eds. *The New Palgrave Dictionary of Economics*, 2nd Ed., Vol. 1. New York, NY: Palgrave MacMillan. 39-43.
- *Fryer, Jr., Roland G. and Glenn C. Loury. (2005) "Affirmative Action and Its Mythology." *The Journal of Economic Perspectives*, Vol. 19, No. 3. 147-162.

Week 5: Women's Liberation (Oct. 3/4)

Leonard, Thomas C. (2016) "Excluding Women." Ch. 10 In *Illiberal Reformers: Race, Eugenics & American Economics in the Progressive Era*. Princeton, NJ: Princeton University Press. 170-186.

*Goldin, Claudia. (2006) "The Quiet Revolution that Transformed Women's Employment, Education, and Family." *The American Economic Review*, Vol. 96, No. 2. 1-21.

*Horwitz, Steven. (2015) "Gender and Family in the Twentieth Century." In *Hayek's Modern Family: Classical Liberalism and the Evolution of Social Institutions*. New York, NY: Palgrave Macmillan. 101-134.

FRI. 10/6 & SAT. 10/7, JOINT SUMMIT MEETING AT SMU, Keynote speaker: Walter Williams

Williams, Walter E. (2011) "Occupational and Business Licensing." Ch. 4 In *Race and Economics: How Much Can Be Blamed on Discrimination?* Stanford, CA: Hoover Institution Press. 59-82.

----- (2011) "Excluding Blacks from Trades." Ch. 5, 83-110.

NO MEETINGS OCT. 10/11 DUE TO FALL BREAK

Week 6: Segregation (Oct. 17/18)

Harford, Timothy. (2009) "In the Neighborhood." Ch. 5 In *The Logic of Life: The Rational Economics of an Irrational World*. New York, NY: Random House Trade Paperbacks. 109-129.

*Rothwell, Jonathan. (2012) "Housing Costs, Zoning, and Access to High-Scoring Schools." Metropolitan Policy Program at Brookings. April. Washington, DC: Brookings Institution. 1-31.

*Roback, Jennifer. (1986) "The Political Economy of Segregation: The Case of Segregated Streetcars." *The Journal of Economic History*, Vol. 46, No. 4. 893-917.

Week 7: Mass Incarceration (Oct. 24/25)

*Loury, Glenn. (2008) *Race, Incarceration, and American Values*. Cambridge, MA: MIT Press. 3-37.

*Pfaff, John F. (2014) "Escaping from the Standard Story: Why the Conventional Wisdom on Prison Growth is Wrong, and Where We Can Go from Here." *Federal Sentencing Reporter*, Vol. 26, No. 4. 265-270.

Skarbek, David. (2014) "The Convict Code." Ch. 2 In *The Social Order of the Underworld: How Prison Gangs Govern the American Penal System*. New York, NY: Oxford University Press. 17-42.

Week 8: Gangs (Oct. 31/Nov. 1)

*Sobel, Russell. (2010) "More Gangs, Less Crime." *Library of Economics and Liberty*. September 6. Indianapolis, IN: Liberty Fund, Inc.

<http://www.econlib.org/library/Columns/y2010/Sobelgangs.html>

Skarbek, David. (2014) "The Rise of Prison Gangs." Ch. 3 In *The Social Order of the Underworld: How Prison Gangs Govern the American Penal System*. New York, NY: Oxford University Press. 47-72.

----- (2014) "Governance in the Society of Captives." Ch. 4, 75-104.

Week 9: Rural Poverty (Nov. 7/8)

*Vance, J.D. (2016) "Chapter 15." In *Hillbilly Elegy: A Memoir of a Family and Culture in Crisis*. New York, NY: Harper Collins. 235-247.

*Boddy, Jessica. (2017) "The Forces Driving Middle-Aged White People's 'Deaths of Despair'." *Morning Edition*. March 23. Washington, DC: National Public Radio.

<http://www.npr.org/sections/health-shots/2017/03/23/521083335/the-forces-driving-middle-aged-white-peoples-deaths-of-despair>

Murray, Charles. (2012) "The Foundations of the New Upper Class." Ch. 2 In *Coming Apart: The State of White America, 1960-2010*. New York, NY: Random House. 46-68.

----- (2012) "Belmont and Fishtown." Ch. 7, 148-152.

----- (2012) "Industriousness." Ch. 9, 172-192.

*Glaeser, Edward. (2017) "The War on Work – and How to End It." *City Journal*. Special Issue: The Shape of Work to Come 2017, Issue #312. New York, NY: Manhattan Institute for Policy Research.

Week 10: Native Americans (Nov. 14/15)

- *Anderson, Terry L. and Peter J. Hill. (2004) "Might Takes Rights in Indian Country." In *The Not So Wild, Wild West: Property Rights on the Frontier*. Stanford, CA: Stanford Economics and Finance. 53-76.
- *Riley, Naomi Shaefer. (2016) "Someone Else's Responsibility: Property Rights as Native Rights." In *The New Trail of Tears: How Washington is Destroying American Indians*. New York, NY: Encounter Books. 3-46.
- *Frye, Dustin and Dominic P. Parker. (2016) "Paternalism vs. Sovereignty: The Long-Run Economic Effects of the Indian Reorganization Act." In Terry L. Anderson, Ed., *Unlocking the Wealth of Indian Nations*. Lanham, MD: Lexington Books. 224-241.