

**SMU McLane/Armentrout Scholars Reading Groups
Spring 2018 Syllabus
Freedom and Human Flourishing:
Poverty, Prosperity, & Quality of Life around the World**

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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. Feb. 16 & the morning and early afternoon of Sat. Feb. 17 and is **required** as a part of the program. You will not be paid the \$1000 stipend if you do not attend.

In addition, the O'Neil Center will have several guest speakers throughout the semester as a part of our Flourishing and a Free Society Forum lecture series and our Texas Economic Forum. Tentative major events are listed on the schedule at the end of this syllabus and you will be alerted when more are scheduled. You are **required to attend at least one of those events**, but are strongly encouraged to attend all of them for which you do not have a class or reading group conflict. You are expected to attend all 10 weekly meetings, but if you have an unavoidable conflict, you can make up for that absence by attending an extra one of these events (beyond the first required one). We also have a Workshop Series that are smaller events designed for faculty, but you can attend those as make-ups if necessary. In addition, with advance notice, we do have limited flexibility for you to occasionally switch nights if you cannot attend on your regular reading group night (i.e., if you can't make one of your regular Tuesday night meetings, you can instead attend on Wednesday night that week and vice-versa).

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.

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."

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/>

Tentative O'Neil Center Event Schedule

Flourishing and a Free Society Forum lecture series

Wed. Feb. 28, 6-7pm, Deirdre McCloskey, UIC Distinguished Professor of Economics, History, English, and Communication at the University of Illinois at Chicago, "How Ideas, Not Capital or Institutions, Enriched the World," Mack Ballroom, (3rd Floor of Umphrey Lee Center)

Tues. Mar. 27, 6-7pm, William Luther, Kenyon College and American Institute for Economic Research's Sound Money Project, "Is Bitcoin a Bubble?" E&Y Room (Fincher 220)

Texas Economic Forum

Thurs. Apr. 12, Details TBD.

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

Wed. Jan. 31, 10:00-11:30am, Ben Powell, Texas Tech University's Free Market Institute, "Does Immigration Increase Corruption?" Crow 282 (O'Neil Center)

Fri. Feb. 23, 10:30-11:45am, Nicholas Cachanosky, Metropolitan State University of Denver, "Populism in Latin America," Crow 282 (O'Neil Center)

Fri. Mar. 9, 10:30-11:45am, Boris Nikolaev, Baylor University's John F. Baugh Center for Entrepreneurship, "The Parasite-Stress Theory of Values and the Origins of Economic Institutions," Crow 282 (O'Neil Center)

Fri. Apr. 6, 10:30-11:45am, Vladimir Fernandes Maciel, Universidade Presbiteriana Mackenzie, "Brazilian State Economic Freedom Index," Crow 282 (O'Neil Center)

Wed. Apr. 25, 10:30-11:45am, Gregory D'Angelo, West Virginia University, "New Empirical Insights into the Fight Against Human Trafficking," Crow 282 (O'Neil Center)

Meeting Schedule

Books that will be provided:

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

Acemoglu, D., & Robinson, J. A. (2012). *Why Nations Fail: The Origins of Power, Prosperity, and Poverty*. New York: Crown Business.

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

Ayittey, George B.N. (2011). *Defeating Dictators: Fighting Tyranny in Africa*. New York: St. Martin's Griffin.

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

Ford, Martin (2015). *The Rise of the Robots: Technology and the Threat of a Jobless Future*. New York: Basic Books.

Meeting 1: Is Life Getting Better? (Jan. 30/31)

Book Readings

- McCloskey, Chapter 1 - "The World is Pretty Rich, but Once was Poor," [9 pages]
- McCloskey, Chapter 2 - "For Malthusian and Other Reasons, Very Poor," [7 pages]
- McCloskey, Chapter 3 - "Then Many of Us Short Up the Blade of a Hockey Stick." [9 pages]

Other Readings

- Thompson, Derek (11 February 2016). "America in 1915: Long Hours, Crowded Houses, Death by Trolley," *The Atlantic*. [[read here](#) - 7 pages].
- Boudreaux, Don (20 February 2016). "Most Ordinary Americans in 2016 Are Richer Than Was John D. Rockefeller in 1916," *Café Hayek*. [[read here](#) - 3 pages].
- Holcombe, Randall (2017). "Bourgeois Virtues Foster Capitalism; Does Capitalism Foster Bourgeois Virtues?" *Journal of Private Enterprise* 32(4) Winter: 95-107. [[read here](#) - 7 pages].

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](#)].

Wed. Jan. 31: O'Neil Center Workshop Series event (see schedule on p. 2)

Meeting 2: The Puzzle of Growth: Why Some Nations are Rich and Others Poor (Feb. 6/7)

Book Readings

- Acemoglu & Robinson, Chapter 3 - "The Making of Prosperity and Poverty." [26 pages]
- Easterly, Chapter 2 - "Two Nobel Laureates and the Debate They Never Had," [30 pages]

Other Readings

- North, D. C. (1994). "Economic Performance Through Time." *The American Economic Review*, 84(3), 359-368. [[read here](#) - 9 pages].
- 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]

Multi-Media

- Marginal Revolution University - The Puzzle of Growth: Rich Countries and Poor Countries [[watch here](#) - 8:32]

Optional Materials

- Acemoglu & Robinson, Chapter 11 - "The Virtuous Circle." [34 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]
- Ted Talk: James Robinson - "Why Nations Fail." [[watch here](#) - 18:33]

FRI. 2/16 & SAT. 2/17, JOINT SUMMIT MEETING AT SMU, Keynote speaker: Donald Boudreaux, E&Y Room (Fincher 220)

Readings

- Boudreaux, Donald. (2008). *Globalization*. Westport, CT: Greenwood Press.
<https://www.dropbox.com/sh/zpxw77es7s5zxaz/AADmu8ZmCQZEueVm6hCCBVUca?dl=0>
 - Ch. 2, "Globalization and Material Prosperity: What's at Stake?" pp. 15-35 [21 pages]
 - Ch. 5, "Alleged Exceptions to the Case for Free Trade," pp. 69-96 [28 pages]
- Cox, W. Michael, and Richard Alm. (2016). 2nd half of "Onward and Upward! Bet on Capitalism--It Works," in 2015-16 O'Neil Center Annual Report, pp. 9-15. [7 pages] https://www.smu.edu/-/media/Site/Cox/CentersAndInstitutes/ONeilCenter/Research/AnnualReports/2016_annual_report_full.ashx?la=en

Meeting 3: Sticks and Stones May Break Bones, but Words and Ideas Can Change the World (Feb. 20/21)

Book Readings

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

Optional Materials

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

Fri. Feb. 23: O’Neil Center Workshop Series event (see schedule on p. 2)

Meeting 4: Foreign Aid and Development (Feb. 27/28)

Because McCloskey is one of the authors we’re reading, the Wednesday night group will attend the McCloskey lecture at 6pm instead of having a regular meeting. Any of the Tuesday night students who can attend this Wednesday night lecture should do so instead of attending your regular Tuesday night meeting. (That means this one will NOT count as an extra event for you. See below for exception.) I will hold a regular meeting on the readings below on Tuesday night for any students who cannot attend the Wednesday night event or who would prefer to use the Wednesday event as one of their extra events. Please RSVP for this Tuesday meeting via email to me by Monday 2/26 so that we will know how much food to order.

Book Readings

- Easterly, Chapter 11 – “Markets: The Association of Problem Solvers.” [36 pages]

Other Readings

- 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]
- Gates, Bill (27 June 2017). “Giving Foreign Aid Helps America’s Economy.” [[read here](#) – 2 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]

Optional Materials

- 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]
- 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]

Wed. Feb. 28: O’Neil Center Flourishing and a Free Society Forum lecture series event (see schedule on p. 2)

Meeting 5: Development, Regulation, and Entrepreneurship in the U.S. (Mar. 6/7)

Book Readings

- Lindsey and Teles, Chapter 5 – “Occupational Licensing.” [18 pages]

Other Readings

- 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 Materials

- Carpenter, Dick M., Lisa Knepper, Angela Erickson, and John Ross (May 2012). *License to Work: A National Study of Burdens from Occupational Licensing*. [[read here](#)]
- *Economic Innovation Group (2017). *Dynamism in Retreat: Consequences for Regions, Markets, and Workers*. [[read here](#)]

Fri. Mar. 9: O’Neil Center Workshop Series event (see schedule on p. 2)

NO MEETINGS MAR. 13/14 DUE TO SPRING BREAK

Meeting 6: Resentment Towards the Rich and Inequality (Mar. 20/21)

Book Readings

- 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]
- Lindsey and Teles, Chapter 1 – “Rigged.” [14 pages]
- Lindsey and Teles, Chapter 2 – “The Rents are Too Damn High.” [19 pages]

Other Readings

- Roser, Max. “Global Economic Inequality,” Our World in Data. [[read here](#) – 4 pages]
- Stiglitz, Joseph (9 September 2016). “Standard Economics is Wrong. Inequality and Unearned Income Kills the Economy.” *Economics*. [[read here](#) – 15 pages]
- Stiglitz, Joseph (May 2011). “Of the 1%, by the 1%, for the 1%,” *Vanity Fair*. [[read here](#) – 3 pages]

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]
- Richard Wilkinson - How Economic Inequality Harms Societies [[watch here](#) – 16:54]

Optional Materials

- 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].
- Bennett, D. L., & Cebula, R. J. (2016). Misperceptions about Capitalism, Government and Inequality. In R. J. Cebula, J. C. Hall, F. G. Mixon, & J. E. Payne (Eds.), *Economic Behavior, Economic Freedom, and Entrepreneurship* (pp. 1-20). Northampton, MA: Edward Elgar. [[read here](#) - 20 pages].

Meeting 7: Social Entrepreneurship and Social Progress (Mar. 27/28)

Book Readings

- Easterly, Chapter 11 – “Markets: The Association of Problem Solvers,” [36 pages]

Other Readings

- “Rethinking the Social Responsibility of Business: A debate featuring Milton Friedman, John Mackey, and TJ Rodgers.” [[read here](#) – 11 pages]
- Clark, J.R. and D.R. Lee (2011). “Markets and Morality,” *Cato Journal* 31(1): 1-25. [[read here](#) – 24 pages].
- 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](#) – 4 pages]

Multi-Media

- Gates, Melinda, “What can non-profits learn from Coca-Cola?” [[watch here](#) – 16:22]

Optional Materials

- Bornstein, David (13 November 2012). “The Rise of the Social Entrepreneur,” *New York Times*. [[read here](#) – 5 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].
- 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]

Tues. Mar. 27: O’Neil Center Flourishing and a Free Society Forum lecture series event (see schedule on p. 2)

NO MEETINGS APR. 3/4

Fri. Apr. 6: O’Neil Center Workshop Series event (see schedule on p. 2)

Meeting 8: Is Economic Growth the Best Measure of Social Progress? (Apr. 10/11)

Readings

- Are we happy yet? Cato unbound [[read here](#) – 40 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](#)]

Thurs. Apr. 12: O’Neil Center Texas Economic Forum event (see schedule on p. 2)

Meeting 9: Money and Happiness (Apr. 17/18)

Readings

- 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]
- 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](#) – 18 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]

Multi-Media

- Economic Freedom and Quality of Life [[watch here](#) – 3:08]
- Daniel Kahneman: The riddle of experience vs. memory [[watch here](#) – 20:06]

Optional Materials

- Nozick, Robert. Happiness. Chapter 9 from *The Examined Life* [[read here](#) – 11 pages]
- David, Buss. (2000). The Evolution of Happiness. *American Psychologist*. 55, 15-23. [[read here](#) – 8 pages]
- Epicurus on Happiness [[watch here](#) – 23:58]
- The Price of Happiness [[watch here](#) – 14:40]

Meeting 10: Automation, Robots and Work in the Future (Apr. 24/25)

Book Readings

- Ford – Chapter 2 – “Is This Time Different?” [33 pages]
- Ford – Chapter 3 – “Information Technology: An Unprecedented Force for Disruption.” [19 pages]

Other Readings

- Swanson, Brett and Michael J. Mandel (14 May 2017). “Robots Will Save the Economy,” *Wall Street Journal*. [[read here](#) – 3 pages]
- McKinsey Global Institute Debate – “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](#) – 2 pages]
- Morgernstern, Michael (25 June 2016). “Automation and Anxiety,” *The Economist*. [[read here](#) – 4 pages] [that link did not print correctly for me, so I saved in alternate format [here](#)]
- Miller, Claire Cain (March 7, 2017). How to beat the robots, *New York Times* [[read here](#) – 6 pages]

Videos

- Ted Talk: Anthony Goldbloom – “The jobs we'll lose to machines – and the ones we won't.” [[watch here](#) - 4:32]

Optional Materials

- Ford – Chapter 4 – “White-Collar Jobs at Risk.” [46 pages]

Wed. Apr. 25: O'Neil Center Workshop Series event (see schedule on p. 2)