

SYLLABUS FOR “CAPITALISM AND MODERN DEMOCRACY,” NOVEMBER 17–21, 2014

Christopher DeMuth

November 17 — Joseph A. Schumpeter

Assigned Reading:

Joseph A. Schumpeter, *Capitalism, Socialism and Democracy* (1942), Part II (“Can Capitalism Survive?”), Prologue and Chapters VII, XI, XII, XIII, and XIV

Recommended Further Reading:

Capitalism, Socialism and Democracy, Part III (“Can Socialism Work?”), Chapters XV and XVI, and Part IV (“Socialism and Democracy”), Chapters XXI, XXII, and XXIII

Jerry Z. Muller, *The Mind and the Market: Capitalism in Western Thought* (2002), Chapter 11 (“Schumpeter: Innovation and Resentment”)

November 18 — Michael Novak

Assigned Reading:

Michael Novak, *The Spirit of Democratic Capitalism* (1982), Chapters I (“What is Democratic Capitalism?”), II (“Pluralism”), and III (“Emergent Probability”)

Recommended Further Reading:

The Spirit of Democratic Capitalism, “Introduction” and Chapters V (“Providence and Practical Wisdom”), VI (“Community”), VIII (“The Family”), and IX (“Continuous Revolution”)

Michael Novak, “*The Spirit of Democratic Capitalism after Thirty Years*,” in *Christian Critiques of Capitalism: A Collection of Essays* (forthcoming 2015)

November 19 — Irving Kristol

Assigned Reading:

Irving Kristol, “‘When Virtue Loses All Her Loveliness’ — Some Reflections on Capitalism and ‘the Free Society’,” *The Public Interest* (Fall 1970) (Reprinted in *On the Democratic Idea in America* (1972) and *Two Cheers for Capitalism* (1978))

Irving Kristol, “Capitalism, Socialism and Nihilism,” *The Public Interest* (Spring 1973) (Reprinted in *Two Cheers for Capitalism* and *Neoconservatism: The Autobiography of an Idea* (1995))

Irving Kristol, “On Corporate Capitalism in America,” *The Public Interest* (Fall 1975) (Reprinted in *Two Cheers for Capitalism*, *Reflections of a Neoconservative* (1983), and *Neoconservatism: The Autobiography of an Idea*)

Recommended Further Reading:

Irving Kristol, “No Cheers for the Profit Motive,” *The Wall Street Journal*, February 20, 1979 (Reprinted in *The Neoconservative Persuasion* (2011))

Irving Kristol, “The Cultural Revolution and the Capitalist Future,” *The American Enterprise* (March 1992) (Reprinted in *Neoconservatism: The Autobiography of an Idea*)

Matthew Continetti, “The Theological Politics of Irving Kristol,” *National Affairs* (Summer 2014)

November 20 — Thomas Piketty

Assigned Reading:

Thomas Piketty, *Capitalism in the Twenty-First Century* (2014), “Introduction” and “Conclusion”

Thomas Piketty, “Save Capitalism from the Capitalists by Taxing Wealth,” *Financial Times*, March 28, 2014

Christopher DeMuth, “After Piketty: A Capitalist Manifesto” (forthcoming, Fall 2014)

Recommended Further Reading:

Capitalism in the Twenty-First Century, Chapters 3 (“The Metamorphoses of Capital”), 10 (“Inequality of Capital Ownership”), 11 (“Merit and Inheritance in the Long Run”), and 13 (“A Social State for the Twenty-First Century”)

Tyler Cowen, “Capital Punishment: Why a Global Tax on Wealth Won’t End Economic Inequality,” *Foreign Affairs* (September 2014)

Lawrence H. Summers, “The Inequality Puzzle,” *Democracy* (Summer 2014)

November 21 — The Financial Collapse of 2008

Assigned Reading:

Richard A. Posner, *The Crisis of Capitalist Democracy* (2010), Chapter 7 (“The Fragility of Finance”)

Financial Crisis Inquiry Commission, *Final Report* (January 2011), Conclusions (pp. xv–xxvii)

Peter J. Wallison, “The Lost Cause: The Failure of the Financial Crisis Inquiry Commission,” *AEI Financial Services Outlook* (January-February 2011)

Jeffrey Friedman and Wladimir Kraus, “A Silver Lining to the Financial Crisis: A More Realistic View of Capitalism,” *AEI Regulation Outlook* (January 2010)

Charles W. Calomiris and Stephen H. Haber, “Why Banking Systems Succeed—and Fail” *Foreign Affairs*, December 2013

Recommended Further Reading:

Christopher DeMuth, “Government Regulation and the Financial Crisis of 2008”

Richard A. Posner, “Afterword: The Causes of the Financial Crisis,” in Jeffrey Friedman (ed.), *What Caused the Financial Crisis* (2011)