
**Reader Abstract:** This reader is designed to offer point-counter-point readings arguing for and against capitalism. The focus is on foundational writings dealing with the basic economic, philosophical, and political perspectives.

**Session I: Capitalism – For and Against (50 pages)**

  - Book I, Chapter 1, “Of the Division of Labour,” pages 70-77.
  - Excerpt from Book IV, Chapter 2, “Of the Restraints upon the Importation from Foreign Countries of such Goods as can be Produced at Home,” pages 81-85.
  - Excerpt from Book IV, Chapter 9, “Of the Agricultural Systems, or of those Systems of Political Economy which Represent the Produce of Land as either the Sole or the Principal Source of the Revenue and Wealth of Every Country,” pages 85-87.


- **Marx, Karl. *Capital* (1867)**

**Session Abstract:** This session introduces the students to the origins of the debates for capitalism and socialism respectively. The first reading outlines the starting-point for Adam Smith’s arguments regarding the division of labor. The subsequent readings outline Marx’s perspective on Communism and the basis of his economic reasoning, the labor theory of value.

**Session II: Justice and Liberty (21 pages)**

Session Abstract: The readings in this session present the natural rights philosophical basis for property rights, and the manner of societal and political organization that such a theory would imply.

Session III: Critical Perspectives (41 pages)

- Cohen, Gerald A. Why Not Socialism? (2009)

Session Abstract: The two readings in this session present the basic tension between philosophical liberalism and philosophical socialism.

Session IV: Capitalism and Social Order (51 pages)

- Schumpeter, Joseph. Capitalism, Socialism, and Democracy (1942)

Session Abstract: The final readings offer different perspectives on how economists have attempted to deal with economic problems. The Hayek piece makes the case against central planning as a requirement for the optimal coordination of resources. The Schumpeter piece embraces some of the ideas of Marx about the progression of history, but offers a counterview of the necessary “growing pains” of an upward progressing economy. The final reading introduces the idea of “libertarian paternalism” as a potential compromise between liberty and planning through behavioral economics.