

University of Western Ontario  
Department of History  
Winter 2016

**Greed is Good:  
The History of Modern Capitalism**  
History 2171B

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Tues. 9:30-11:30 am  
*in* UCC-37

“Greed, for lack of a better word, is good”  
—Gordon Gekko

The 1980s has been described as America’s new Gilded Age. Following the cultural and political upheavals of the sixties, and the economic and international crises of the seventies, the United States appeared to be regaining its footing as a superpower. With the election of Ronald Reagan in 1980 the American public appeared ready to entrust this former actor with the presidency in large part because he promised to restore America to a greatness that he suggested had been lost over the previous two decades. Reagan captured the zeitgeist of the moment. The public had grown disillusioned with the liberal policies of the previous generation and appeared ready to embrace Reagan’s conservative ideas and his “voodoo economics” in large part because he presented them using in a rhetoric of optimism and hope.

The new optimism in the political arena was matched by a frenzied optimism in the business world. The 1980s was a decade that saw extraordinary wealth and the return to a form of laissez-faire capitalism that many thought had been discredited in the late nineteenth century—the period of the first Gilded Age. The eighties was a decade of mergers and acquisitions, leveraged buyouts, and corporate raiders. It was an era of unbridled enthusiasm and seemingly unending economic growth. But it was also a decade of scandal, which saw Reagan stumble with the Iran-Contra Affair, and that saw Wall Street brought back to reality with the crash of 1987 as well as the scandals associated with Michael Milken and Ivan Boesky and the Savings and Loan crisis.

During the 1980s the country saw a cultural shift from the New Deal liberalism associated with John Maynard Keynes toward the monetarism associated with Milton Friedman. It was a moment that saw that embrace of finance capitalism as well as one that saw the groundwork being laid for the creation of the exotic financial instruments that produced the conditions that would lead to the financial crisis of the 2008.

In this course students will be introduced to the evolution of capitalism since the late 1960s. They will understand this transformation within the larger cultural and political context of the era, which is to say within the context of the decline of liberalism and the rise of neo-conservatism. In this course students will sharpen their ability to read and think critically, develop their analytical skills, and learn to organize and present their thoughts in the form of formal examinations. Ultimately, this course offers students the opportunity to develop a historical consciousness that will permit them to more fully engage with the world around them.

**Texts:**

- Jefferson Cowie, *Stayin' Alive: The 1970s and the Last Days of the Working Class*
- John Cassidy, *How Markets Fail: The Logic of Economic Calamities*
- Tom Wolfe, *The Bonfire of the Vanities*
- Michael Lewis, *Liar's Poker: Rising through the Wreckage of Wall Street*
- James B. Stewart, *Den of Thieves*
- Fred Turner, *From Counterculture to Cyberculture: Stewart Brand, the Whole Earth Network, and the Rise of Digital Utopianism*

**Assessment:**

First test	30%
Second test	30%
Final exam	40%

**Lectures:****Jan. 5 • Introduction**

## I. CONTEXT (1960s-1980s)

**Jan. 12 • The End of the Postwar Boom**

Jefferson Cowie, *Stayin' Alive*, Intro, and ch. 1-4.

**Jan. 19 • Ideological Shift: From Smith to Keynes to Friedman**

John Cassidy, *How Markets Fail*, Intro, plus ch. 1-8

**Jan. 26 • The Promise of Renewal**

Jefferson Cowie, *Stayin' Alive*, ch. 5-8.

**Feb. 2 • First Test**

## II. FINANCE CAPITALISM (1980s-1990s)

**Feb. 9 • The Rise of Finance Capitalism**

John Cassidy, *How Markets Fail*, ch. 9-16

Michael Lewis, *Liar's Poker*

Robin Blackburn, "Finance and the Fourth Dimension," *New Left Review* 39 (May-June 2006): 39-70.

**Reading Week:** Feb. 15-19**Feb. 23 • Delirious New York**

Tom Wolfe, *The Bonfire of the Vanities*

**Mar. 1 • The Crash**

James B. Stewart, *Den of Thieves*

**Mar. 8 • Second Test**

III. THE RECKONING (1990s— )

**Mar. 15** • Financial Crisis

John Cassidy, *How Markets Fail*, ch. 17-23, concl.

**Mar. 22** • Financial Crisis II

John Cassidy, *How Markets Fail*, epilogue.

**Mar. 29** • The Ends of Capitalism

Fred Turner, *From Counterculture to Cyberculture*

**Apr. 5** • Conclusion