

University of Western Ontario
Department of History
Winter 2017

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

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Office hours: Mon. 10:30-12:30
in Lawson Hall 2218

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*

Assessment:

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

Lectures:

Jan. 10: Introduction

I. CONTEXT (1960s-1980s)

Jan. 17: The End of the Postwar Boom

- Jefferson Cowie, *Stayin' Alive*

Jan. 24: From Smith to Keynes to Friedman

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

Jan. 31: First Test

II. FINANCE CAPITALISM (1980s-1990s)

Feb. 7: The Promise of Renewal

- John Cassidy, *How Markets Fail*, ch. 9-11
- Michael Lewis, *Liar's Poker*

Feb. 14: Delirious New York

- Tom Wolfe, *The Bonfire of the Vanities*

Reading Week: Feb. 20-24

Feb. 28: The Predator's Ball

- James B. Stewart, *Den of Thieves*

Mar. 7: Second Test

III. THE RECKONING (1990s—)

Mar. 14: The Crash

- John Cassidy, *How Markets Fail*, ch. 12-16

Mar. 21: Financial Crisis

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

Mar. 28: Financial Crisis II

• John Cassidy, *How Markets Fail*, afterword.

Apr. 4: Conclusion

ADDITIONAL STATEMENTS

Prerequisites and Antirequisites:

Unless you have either the requisites for this course, as described in the Academic Calendar description of the course, or written special permission from your Dean to enroll in it, you may be removed from this course and it will be deleted from your record. This decision may not be appealed. You will receive no adjustment to your fees in the event that you are dropped from a course for failing to have the necessary prerequisites. The Academic Calendar description of each course also indicates which classes are considered antirequisites, i.e., to cover such similar material that students are not permitted to receive academic credit for both courses.

Academic Offences:

Scholastic Offences are taken seriously and students are directed to read the appropriate policy, specifically, the definition of what constitute a Scholastic Offence, at the following Web site: http://www.uwo.ca/univsec/pdf/academic_policies/appeals/scholastic_discipline_undergrad.pdf

Plagiarism:

Students must write their essays and assignments in their own words. Whenever students take an idea, or a passage from another author, they must acknowledge their debt both by using quotation marks where appropriate and by proper referencing such as footnotes or citations. Plagiarism is a major academic offense (see Scholastic Offence Policy in the Western Academic Calendar).

All required papers may be subject to submission for textual similarity review to the commercial plagiarism detection software under license to the University for the detection of plagiarism. All papers submitted will be included as source documents in the reference database for the purpose of detecting plagiarism of papers subsequently submitted to the system. Use of the service is subject to the licensing agreement, currently between The University of Western Ontario and Turnitin.com (<http://www.turnitin.com>).

The following rules pertain to the acknowledgements necessary in academic papers.

A. In using another writer's words, you must both place the words in quotation marks and acknowledge that the words are those of another writer.

You are plagiarizing if you use a sequence of words, a sentence or a paragraph taken from other writers without acknowledging them to be theirs. Acknowledgement is indicated either by (1) mentioning the author and work from which the words are borrowed in the text of your paper; or by (2) placing a footnote number at the end of the quotation in your text, and including a correspondingly numbered footnote at the bottom of the page (or in a separate reference section at the end of your essay). This footnote should indicate author, title of the work, place and date of Publication and page number. Method (2) given above is usually preferable for academic essays because it provides the reader with more information about your sources and leaves your text uncluttered with parenthetical and tangential references. In either case words taken from another author must be enclosed in quotation marks or set off from your text by single spacing and indentation in such a way that they cannot be mistaken for your own words. Note that you cannot avoid indicating quotation simply by changing a word or phrase in a sentence or paragraph which is not your own.

B. In adopting other writer's ideas, you must acknowledge that they are theirs.

You are plagiarizing if you adopt, summarize, or paraphrase other writers' trains of argument, ideas or sequences of ideas without acknowledging their authorship according to the method of acknowledgement given in 'A' above. Since the words are your own, they need not be enclosed in quotation marks. Be certain, however, that the words you use are entirely your own; where you must use words or phrases from your source; these should be enclosed in quotation marks, as in 'A' above.

Clearly, it is possible for you to formulate arguments or ideas independently of another writer who has expounded the same ideas, and whom you have not read. Where you got your ideas is the important consideration here. Do not be afraid to present an argument or idea without acknowledgement to another writer, if you have arrived at it entirely independently. Acknowledge it if you have derived it from a source outside your own thinking on the subject.

In short, use of acknowledgements and, when necessary, quotation marks is necessary to distinguish clearly between what is yours and what is not. Since the rules have been explained to you, if you fail to make this distinction, your instructor very likely will do so for you, and they will be forced to regard your omission as intentional literary theft. Plagiarism is a serious offence which may result in a student's receiving an 'F' in a course or, in extreme cases, in their suspension from the University.

Medical Issues:

The University recognizes that a student's ability to meet his/her academic responsibilities may, on occasion, be impaired by medical illness. Please go to https://studentservices.uwo.ca/secure/medical_accommodations_link_for_OOR.pdf to read about the University's policy on medical accommodation. This site provides links the necessary forms. In the event of illness, you should contact Academic Counselling as soon as possible. The Academic Counsellors will determine, in consultation with the student, whether or not accommodation should be requested. They will subsequently contact the instructors in the relevant courses about the accommodation. Once the instructor has made a decision about whether to grant an accommodation,

the student should contact his/her instructors to determine a new due date for tests, assignments, and exams.

SUPPORT SERVICES:

Students who are in emotional/mental distress should refer to Mental Health@Western, <http://www.uwo.ca/uwocom/mentalhealth/> for a complete list of options about how to obtain help.

Please contact the course instructor if you require material in an alternate format or if you require any other arrangements to make this course more accessible to you. You may also wish to contact Services for Students with Disabilities (SSD) at 661-2111 x 82147 for any specific question regarding an accommodation.

If you have any further questions or concerns please contact, Rebecca Dashford, Undergraduate Program Advisor, Department of History, 519-661-2111 x84962 or rdashfo@uwo.ca