Bibliography

**Source 1:** Better Capitalism: Renewing the Entrepreneurial Strength of the American Economy (Excerpt from Chapter 1: Toward Better Capitalism)

**Citation:** Litan, R. E., & Schramm, C. J. (2012). *Better capitalism : Renewing the entrepreneurial strength of the american economy*. Retrieved from <https://ebookcentral.proquest.com>

**Summary:** This source, an excerpt from chapter 1 of Better Capitalism: Renewing the Entrepreneurial Strength of the American Economy, examines the history of the United States and how capitalism helped shape the events that occurred. The word capitalism itself ironically came from Karl Marx, a capitalism critic. This source argues that despite beliefs about capitalism causing the poor to get poorer, capitalism actually should be the most desired economic system for the poor. Capitalism turned out to be “the greatest anti-poverty force the world has ever known, lifting living standards for ever-growing numbers of people beyond what they could have imagined” (Litan & Schramm, p. 1). Even with a capitalist economy the United States has still faced struggles such as the economic depression; however, this can be blamed on the fundamental failure of capitalism. This means that people with bad credit were given the go ahead to buy homes with “little or no money down” and ultimately this should never had happened. That “reckless financial capitalism is now dead” and the type of capitalism that drove the economy to prosperity was the entrepreneurial capitalism (CITE, p. 4). This type of capitalism soon became envied across the world for it was what made the proliferation of new products and technologies arise. Someone who supported this type of economy was Republican president Ronald Reagan. This source suggests that “sustained rapid growth is only possible through the continues commercialization of new, disruptive-and, yes, revolutionary-technologies, products, and services” (Litan & Schramm, p.7).

**Source 2:** Capitalism and Freedom (excerpt from What Does Capitalism and Freedom Say? & Why Does Capitalism and Freedom Matter?)

**Citation:** Hakemy, S. (2017). Capitalism and Freedom. London: Macat Library, https://doi-org.proxy.longwood.edu/10.4324/9781912281107

**Summary:** This source referenced the book, Capitalism and Freedom, by Milton Friedman and how it argued that a “free market with minimal government interference is the best way to regulate the affairs of society” (Hakemy, p. 11). The term liberalism is emphasized and explained to show how there exists classical liberalism and new liberalism. Classical liberalism was a more conservative, capitalistic view where people believe that “individual liberty was the highest ideal and that it required protection from government tyranny” (Hakemy, p.11). New liberalism morphed into the belief that “government plays a key role in enhancing liberty and equality” (Hakemy, p.11). Additionally, in the book, Friedman argues for such things like leaving the education system to the market to increase quality, a flat tax rate regardless of what income bracket people are in, and military recruitment through the market. Friedman’s beliefs were used to shape public policy and encourage policymakers to “remove barriers to free trade and currency exchange” (Hakemy, p.13). Since the economic depression in 2008, Friedman’s beliefs about the free market have received some debate; however, many people still encourage and support his view.

**Source 3:** “That Wasn’t Real Socialism”: A Better Way to Respond to the Claim

**Citation:** Newman, H. (2019, January 26). "That Wasn't Real Socialism": A Better Way to Respond to the Claim: Hugo Newman. Retrieved from https://fee.org/articles/that-wasnt-real-socialism-a-better-way-to-respond-to-the-claim/.

**Summary:** This source written by Hugo Newman gives examples and explanations of how to successfully debate against socialism without succumbing to the socialist argument “well that wasn’t real socialism”. Newman suggests that if you shift the argument from the content of the argument to the argumentative standards that underpin them then you can be successful. He states that many socialists’ arguers are “characteristically inconsistent, even hypocritical, in the standards they implicitly deploy” (Newman, p.1). If socialists give examples of socialist countries which have failed and say well that’s because it wasn’t real capitalism, then capitalists have every right to argue against the socialists and cite examples of how negative problems in capitalist societies are because it’s not true capitalism. An economy which is “purely democratic, manifest no elements of dictatorship or centralized force, and would be economically dynamic” would be ideal for a socialist and far superior to capitalism (Newman, p.5). Newman questions however, what capitalism would this be superior to, and the socialist might say to look around at the inequalities and the suffering, but we can’t compare the “ideal” socialism to real capitalism. This comparison would create double standards. People must stick to real world vs. real world comparison to “adhere to the same empirical standards across the board” (Newman, p. 6). Newman cites that for countries who have capitalistic economies, their gross domestic product per capita has increased nearly 3000%. Ultimately, it is a much more plausible explanation as for why socialist countries fail to attribute it to the inherent defects of socialism in the real world.