

**Talking Capitalism in the Classroom: Obstacles and Possibilities**

Few people in the U.S. can give even a basic explanation of capitalism. Lack of knowledge and ongoing discussion about the underlying political economy of the United States undermines civic engagement. For business school students it is particularly problematic. The silence about capitalism distorts understanding of management and other business practices and limits students' ability to conceptualize, analyze and respond strategically to the external environment. In this roundtable discussion we will examine our teaching practices and share insights into the role capitalism plays – or doesn't – in our curricula and pedagogy.

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## Introduction

In many countries economic systems are debated at dinner tables, in bars and on street corners. Except for appearances in political debates and certain academic circles, the word ‘capitalism’ is rarely heard in United States. Many people talk about ‘the economy’ and people with investments talk about ‘the market’ or ‘Wall Street’, but not “capitalism”. If asked, most people will say they’ve heard the word. But few, if pressed, can give even a basic explanation of what it means.

- “I don’t know” (50%)
- Some reference to money or business (25%)
- Some reference to a system (25%)

Responses (approximate percentages) of high school and community college students who participated in project to question, “*What does the word ‘capitalism’ mean to you?*”

The vacuum is not indicative of broader ignorance or lack of education. It extends into the upper echelons of privilege and schooling.<sup>1</sup> For many students, the silence about capitalism partly reflects the way they have been taught economics. They learned to be intimidated by representations that rely almost exclusively on numbers, equations, and graphs. But the vacuum is also the product of ideological narratives that fortify unexamined assumptions about how economic activities work and their effects on society.

Lack of basic knowledge and ongoing discussion about the underlying political economy of the United States undermines civic engagement. For business school students it is particularly problematic. The silence about capitalism distorts understanding of management and other business practices and limits students’ ability to conceptualize, analyze and respond strategically to the external environment. In this roundtable discussion we will examine our teaching practices and share insights into the role capitalism plays – or doesn’t – in our curricula and pedagogy.

## Theoretical Foundations

European writers began to use ‘capitalism’ to designate an economic system in the 19<sup>th</sup> century. In the United States the word was first used by radical critics, acquiring revolutionary connotations that persisted into the mid-20<sup>th</sup> century. Today, ‘capitalism’ tends to be most used

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<sup>1</sup> In a class of graduating seniors at an elite college, many of whom were being recruited for prestigious management training programs at investment firms, most did not understand the basic idea of Wall Street as a capital market (author’s experience). <sup>1</sup> In the U.S., a growing number of educators are experimenting with innovative alternatives (see, for example, Haltinner & Hormel, 2018)

at opposite ends of a political spectrum<sup>2</sup>. An Amazon search for books about capitalism produces a bifurcated list: *I Love Capitalism!* by a co-founder of Home Depot (Langone, 2018) and Milton Friedman's *Capitalism and Freedom* (2002) on the right and *Can American Capitalism Survive? Why Greed Is Not Good, Opportunity Is Not Equal, and Fairness Won't Make Us Poor* (Pearlstein, 2018) on the left. Notably, books focused on providing an explanation of the mechanics of capitalism – how it works - are rare.

Searle has described how social and institutional concepts are codified through social practices enacted and perpetuated without being named. So, for example, “The word ‘money’ marks one node in a whole network of practices, the practices of owning, buying, selling, earning, paying for services, paying off debts, etc. As long as the object is regarded as having that role in the practices, we not actually need the word ‘money’...The word ‘money’ functions as a placeholder for the linguistic articulation of all these practices” (1995:52). For most people in the United States ‘capitalism’ is not specifically descriptive of an economic system, a “way of organizing the human labor needed in every society to produce the goods and services that support life” (Bowles, Edwards, Roosevelt & Larudee, 2017:50). Instead, it functions as a verbal placeholder for a set of powerful and comprehensive norms, for behaviors, values (such as the focus on aggregate output of production versus “...the distribution of the product so produced – who gets it – (which) is decidedly secondary” (Galbraith, 1958:190) and allegiances (either in support of or against).<sup>3</sup> “People see it”, one young economist told me, “as a kind of religion”.

Within the larger social silence, business schools are particularly notably sites of the silence about capitalism. In the United States, capitalism is typically assumed to be the context of management (see, for example, Donaldson 1990). Assumed but/and therefore not discussed. A symbolic but meaningful indicator is the absence of the word in the indices of 90% of management textbooks (unscientific review by author). Another indicator: ‘Capitalism’ appears only 12 times in titles of articles in *The Academy of Management Review* - all book reviews (online search of Jstor database, January 2021).

The extensive and persistent silence about capitalism in the United States is arguably not accidental. It is a key element of the official national language which serves the critical structural purpose of vacating debate. As Brown has described the way messages shape ideology, culture, and consciousness: “The ‘structure of a message’ is its capacity to render a subject matter definite and apparently complete, and/or its capacity to secure the relationship between two aspects of content – sense and authority...” (1986:109). The structure of the (silent) message of capitalism is intimately linked to the unification of national identity, the market and the economy and which are legitimated and perpetuated through the educational system (Bourdieu, 1999).

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<sup>2</sup> The volatility and contradictions of the use of ‘capitalism’ in the United States are cleverly and briefly summarized in Mineau (2014).

<sup>3</sup> Bowles, Edwards, Roosevelt & Larudee’s definition of political economy usefully integrates ‘economic system’ with values and ‘competition’, ‘command’, and ‘time’ dimensions. The focus here on the explicitly ‘economic’ element of capitalism is meant to highlight what I see as a particularly fundamental vacuum. Their effective textbook provides a unique explication.

Across secondary and college curriculum, the few references to capitalism typically occur in economics classes, where material is presented in such a way as to obscure social relations. The emphasis is on often-intimidating quantitative representations (all most business students seem to remember about economics class is a blur of equations and graphs). Markets, businesses, management – all the elements of capitalism people encounter on a daily basis – are reduced to inaccessible abstractions, “laws” that operate with the authority of physics. The weaknesses of economics education are particularly profound in poorer schools and communities where resources are stretched thinnest and schools attempt to address many needs.

The structure of power may not be determined by the economic order, but it is “a clue” (Mills, 1959:275). Democratic participation requires schooling that fosters abilities to question and reimagine social life. Weak and inaccessible education about economics and the silence around capitalism fortifies conditions for exploitation, aggravates inequality, closes opportunity and highlights “the Jeffersonian question, about the purpose of schooling in a democracy” (Rose: 2004:186). The ramifications are intensifying. The capitalism that dominated between 1945 and 1975 included a certain level of government constraints and labor union strength and allowed benefits to be *relatively* widely dispersed. In the 21<sup>st</sup> century, a *supercapitalism* has “overwhelmed” democracy and fed cynicism and attitudes towards politics that range from disengagement (Reich, 2008) to hyper-engagement (Dimock & Wike, 2020).

As business educators we are charged with preparing our students to be effective and thoughtful participants in their organizations, communities, nation and globally. Overlooking discussion of such a fundamental aspect of our collective lives is problematic. The session will stimulate consideration of the relative importance of discussing capitalism and highlight obstacles – and possible strategies for bringing it into our classrooms.

### Session Description

1. Introduction of session objectives and format (**5 minutes**).
2. Introduction of session participants (**5 minutes**).
3. Presentation of premise: “we don’t talk about capitalism and that’s a problem” (**10 minutes**).
4. Small group discussion (depending on number of session participants: if less than 10, will discuss in whole group): “do we talk about capitalism? Why or why not? How?” (**15 minutes**).
5. Group discussion: Brainstorm list of a) approaches to talking about capitalism, b) obstacles to talking about capitalism, c) reasons why it’s not important to talk about capitalism (**20 minutes**).
6. Conclusion: Sharing a classroom tool that may aid in “talking capitalism” and invitation to participate in ongoing virtual discussion group (**5 minutes**).

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